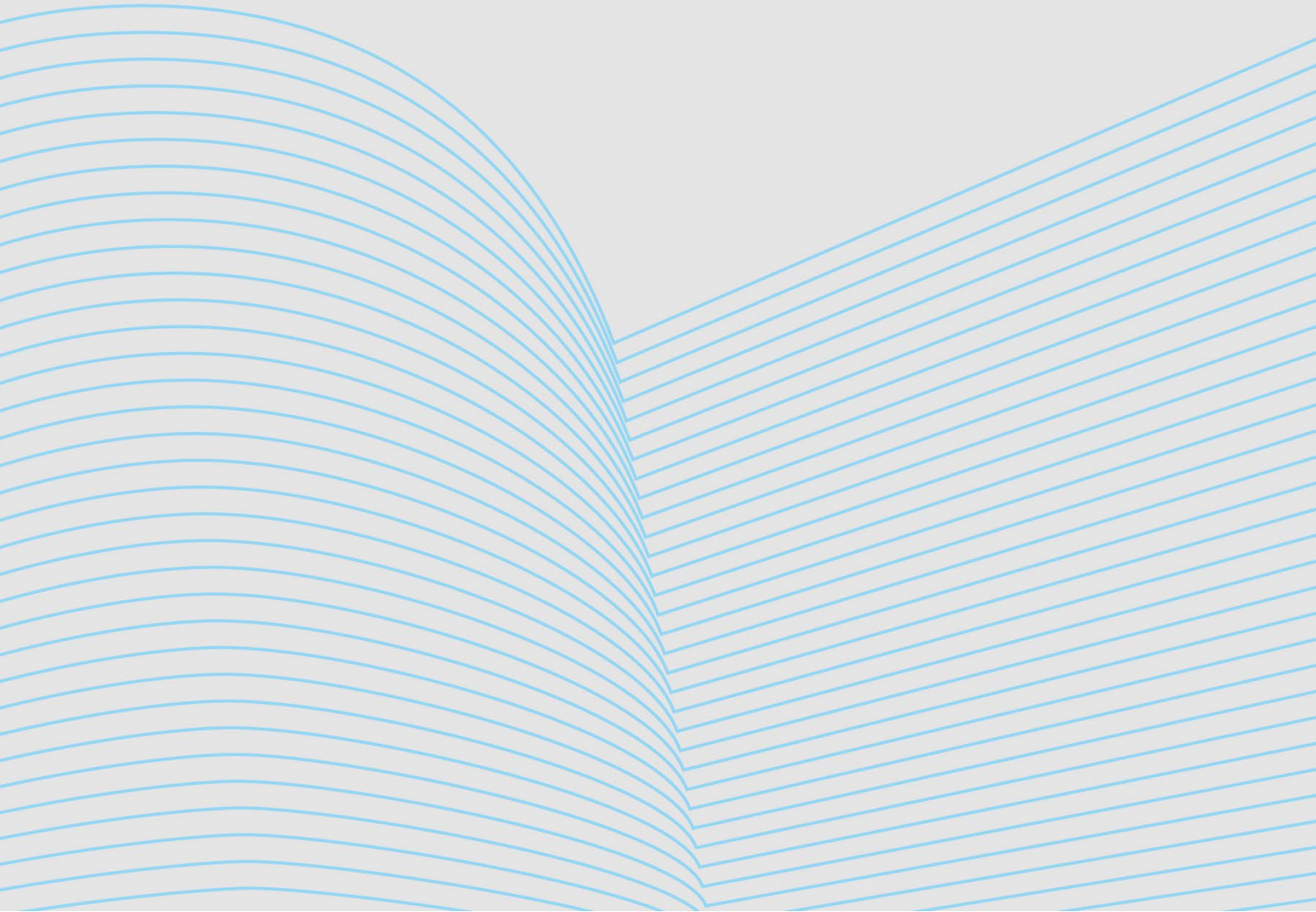




NSW
Architects
Registration
Board

ANNUAL REPORT 2023–2024



ACKNOWLEDGEMENT OF COUNTRY

The NSW Architects Registration Board acknowledges, respects and values Aboriginal peoples as the Traditional Custodians of the lands on which we live, walk and work.

We pay our respects to Elders past, present and future. We recognise and remain committed to honouring Aboriginal and Torres Strait Islander peoples' unique cultural and spiritual relationships, and continuing connection to their lands, waters and seas. We acknowledge their history here on these lands and their rich contribution to our society.

We also acknowledge our Aboriginal employees who are an integral part of our diverse workforce, and recognise the knowledge embedded forever in Aboriginal and Torres Strait Islander custodianship of Country and cultures.



NSW
Architects
Registration
Board

31 October 2024

The Hon. Anoulack Chanthivong
Minister for Better Regulation and Fair Trading, Minister for Building
Level 15, 52 Martin Place
Sydney NSW 2000
By Email: dlo.brdft@minister.nsw.gov.au

Dear Minister

Submission of the Annual Report for the NSW Architects Registration Board

I have the pleasure of submitting the Annual Report of the NSW Architects Registration Board for the year ending 30 June 2024.

The report has been prepared in accordance with the provisions of Division 7.3 of *the Government Sector Finance Act 2018* as set out in the *Treasurer's Direction Annual Reporting Requirements TD23-11* (July 2024).

I trust that the Report clearly demonstrates the Board's commitment to the efficient and effective administration of the *Architects Act 2003*.

Yours sincerely

Nadine Roberts
Acting Registrar

E. NadineR@architects.nsw.gov.au

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OVERVIEW

Charter

The NSW Architects Registration Board (the 'NSW ARB') is constituted by, and operates under, the *Architects Act 2003* (the 'Act'), the legislation regulating architects in NSW.

The Act is the principal legislation administered within the NSW ARB.

Under section 61(1) the Board of the NSW ARB (the 'Board') has the following functions:

- a) the registration of architects,
- b) the investigation of complaints against architects,
- c) the taking of disciplinary action against architects,
- d) the investigation of matters referred to it by the Minister for advice and report in relation to the practice of architecture (including codes of professional conduct),
- e) co-operation with neighbouring jurisdictions to further a common and harmonious approach to the administration of legislation relating to architects,
- f) the accreditation of courses of study in architecture,
- g) the maintenance and operation of the Architects Fund,
- h) the promotion of community discussion about architectural issues,
- i) the provision of general advice to consumers of architectural services with respect to the ethics and standards of professional competence that are generally expected of architects,
- j) the provision of advice to the Minister with respect to any other matter in connection with the administration of the Act,
- k) such other functions as are conferred or imposed on the Board by or under the Act or any other legislation.

Objectives

The key objectives of the NSW ARB are:

- to ensure that architects provide services to the public in a professional and competent manner
- to provide mechanisms to discipline architects who are found to have acted unprofessionally or incompetently
- to ensure that the public is appropriately informed about the qualifications and competence of individuals or organisations holding themselves out as architects, and
- to promote a better understanding of architectural issues in the community.

The NSW ARB serves the following community:

- consumers of architectural services
- architects
- graduates of accredited architecture programs and building designers who wish to become registered architects
- other stakeholder groups including professional organisations, consumer organisations, policy makers and educational institutions.

Board structure and meetings

Section 60 of the Act stipulates the membership of the Board and the qualifications to be held by the various Board members. The Board includes 6 members who are architects and 5 members who are not architects. Six of the members are appointed by the Minister. The Board is supported by the Registrar/CEO, which is a Senior Executive role. Figure 1 illustrates the organisational structure of the NSW ARB.

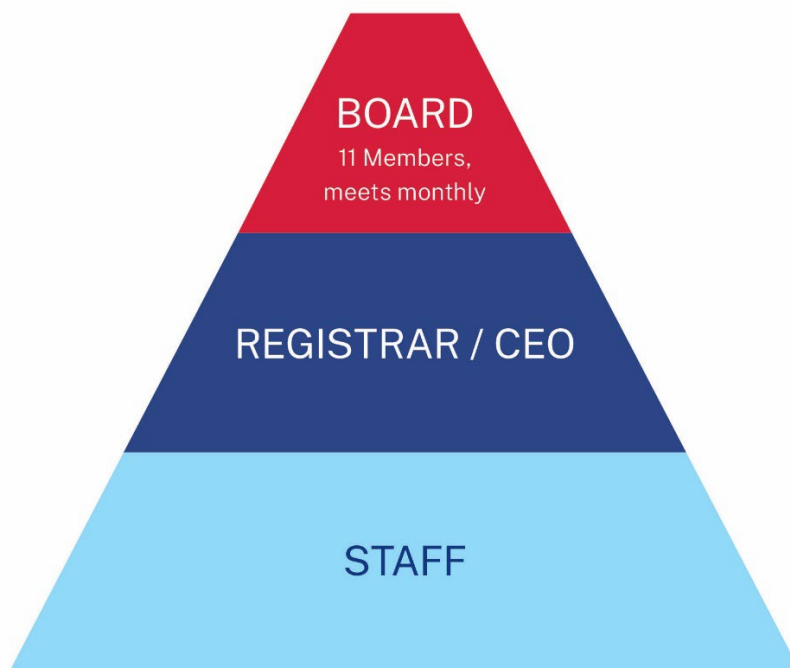


Figure 1. Organisational structure of the NSW ARB

The Board meets on the 4th Tuesday of each month. In addition, Board members participate on 1 or more of the Board's committees.

Board members (other than those holding Government positions) are paid for attendance at Board meetings and other committee work. Fees paid to Board members are in line with the policies established by the Premier's Office for the 2023-2024 period.

Employees

As at 30 June 2024 the NSW ARB employed 10.4 FTE staff, with a total of 11 employees.

STRATEGY

Strategic objectives

The NSW ARB works to protect consumers and extend the integrity of a high-quality architecture profession through initiatives and regulation that provide for today, as well as considering the future.

There are 3 strategic objectives:

1. The integrity of the Architects Act is maintained by the NSW ARB as the trusted government regulator

This objective supports the NSW ARB to meet its remit of administering the Act through relationships with key stakeholders across government, professional bodies, cultural institutions, universities, architectural practices, architects and other relevant stakeholders. These stakeholders may impose a variety of interpretations on the Act depending on their area of representation, different organisational perspectives and lived experiences. This raises the need for targeted initiatives, communicated well to each stakeholder group, ensuring that the NSW ARB's purpose and mandate is clearly articulated to all, and legislative reform is optimised.

2. Graduates and the profession attain, maintain, and value architectural registration and continuing professional development

This objective prioritises promotion of the benefits of registration. The NSW ARB must support diverse participation in the profession and assist architects to stay registered, meet their regulatory obligations and keep informed through quality CPD. Data is collected about perceptions of the NSW ARB and the value of architects to inform NSW ARB initiatives.

3. Community and industry value and trust architects to design and deliver a quality, built environment

This objective focuses on improving community understanding of the role of architects, the specific contributions they make and the value they bring. The NSW ARB must clearly showcase the value of architect registration and, in the context of current regulatory challenges, contribute to rebuilding and enhancing public trust in the construction industry more broadly. A crucial component of this objective is the complaints process itself, ensuring that the Board's investigation of complaints is conducted in a transparent and timely fashion, upholds the public interest view, and applies appropriate disciplinary mechanisms for architects who are found to have acted unprofessionally or incompetently.

Current NSW ARB Strategic Plan 2024 – 2027

Operational priorities are identified in the NSW ARB Strategic Plan 2024-2027 (the 'Strategic Plan'), which is reviewed on an annual basis. The Strategic Plan is publicly available on the NSW ARB website.

Measuring outcomes

Each of the strategic objectives identified in the Strategic Plan have 3 priorities with clearly identified measures of success.

Resource allocation

The Strategic Plan orients the way NSW ARB Board members and employees work with each other and clarifies intent and organisational priorities. All work is constantly tied back to the Strategic Plan to deliver the greatest possible value as a small, self-funded regulatory body with limited resources.

OPERATIONS AND PERFORMANCE

Key services

The range of services provided by the NSW ARB includes:

- maintaining an accurate NSW Register of Architects and NSW List of Architect Corporations and Firms
- operating a fair, effective, and open procedure for investigating and hearing complaints made against architects
- disciplining architects who breach the Act and individuals or firms who represent themselves as an architect when they are not entitled to do so
- conducting examinations for registration as an architect
- accrediting NSW architecture programs that constitute pathways to registration as an architect
- managing a program of scholarships and awards
- providing information to consumers of architectural services with respect to the ethics and standards of professional competence that are generally expected of architects
- promoting a better understanding of architectural issues in the broader community, and
- providing accurate information to architects to maximise their understanding of their obligations under the Act and the Code.

Registering architects

Qualifications for admission to the Register

Uniform minimum standards of education and training have been adopted by all states and territories in Australia for registration as an architect. These are 5-years of study in an accredited Australian architecture program or its equivalent, an approved period of practical experience, and successful completion of the Architectural Practice Examination (APE). These standards are agreed nationally and administered by the Architects Accreditation Council of Australia (AACA).

Accredited academic qualifications

The accredited Master of Architecture, the academic qualification prescribed by the Act for registration as an architect, is offered by 5 universities in NSW:

- The University of Newcastle
- University of New South Wales
- The University of Sydney
- University of Technology Sydney
- Western Sydney University

Architecture programs offered by the above NSW universities are accredited and monitored under the *Architecture Program Accreditation Procedure in Australia and New Zealand*, owned and administered by the AACA. Under this process, national Accreditation Review Panels (ARPs) provide recommendations to the Board regarding the accreditation of qualifications for a maximum period of 5 years.

In the reporting year, ARPs were conducted at The University of Newcastle and University of New South Wales.

Architectural Practice Examination (APE)

The final qualification for registration as an architect in NSW is the successful completion of the APE, administered by the AACA and managed by the state and territory architect registration boards.

The APE is a 3-part examination, comprising (1) submission of a logbook and statement of practical experience, (2) completion of the written National Examination Paper, and (3) examination by interview. Major revisions to the APE were implemented on 1 January 2024 to integrate the *2021 National Standard of Competency for Architects (2021 NSCA)*. Thirty-five Performance Criteria from the 2021 NSCA are now tested in the APE Parts 1 and 2, and 48 Performance Criteria are tested in the APE Part 3. Other revisions to the APE include:

- Part 1, the introduction of a more sophisticated online logbook and requirements for experience to be verified by a registered architect or other appropriate professional
- Part 2, the expansion of the National Examination Paper from a 45-question exam completed in 90 minutes, to an 80-question exam completed in 120 minutes, and
- Part 3 the introduction of an assessment rubric that makes explicit a range of assessment criteria and expected performance standards for each of the 48 Performance Criteria examined in the interview to assist assessors to apply consistent standards when assessing a candidate's performance and to provide feedback to candidates that is defensible and consistent.

In the reporting year, 305 NSW candidates applied for the APE Part 1 Submission of AACA Logbook and Statement of Practical Experience. 285 candidates were assessed as being eligible for admission to the APE Part 2.

The APE Part 2 National Examination Papers held in September 2023 and April 2024 were conducted as remote, proctored online examinations managed by the Australian Council for Educational Research (ACER) and delivered by Proctor U. 259 NSW candidates were successful in the APE Part 2, representing an 86% success rate.

291 NSW candidates were admitted to the APE Part 3 Examination by Interview, conducted face-to-face in the NSW ARB offices. 268 NSW candidates were successful in the interview, representing a 92% success rate.

The NSW ARB provided 7.5 hours of free webinar events attended by 454 candidates to assist their preparation for the APE, and 6 hours of training events for APE assessors attended by 108 architects.

NSW Portfolio Program of Assessment (NSW PPA)

The NSW PPA is a competency-based assessment process that provides a pathway to the APE for those who have substantial skills and experience in the architectural services profession but do not have the approved architecture qualification or overseas equivalent.

Candidates submit a portfolio of 3 to 4 'complex' architectural projects from the last 10 years for which they have experience as a primary decision maker for the conceptual and schematic design, and design development. At least 1 of the projects should have been built in Australia in the last 10 years, or overseas in the last 5 years. In addition to the portfolio submission, candidates submit supporting written material and are interviewed about their skills and experience in the architectural services profession. Candidate submissions are assessed against the relevant Performance Criteria from the 2021 NSCA to determine their equivalence with the threshold competencies expected of a graduate from an accredited architecture program in Australia.

In the reporting year, 5 applications were received for the NSW PPA. One candidate was deemed ineligible for the program and 2 candidates were unsuccessful at Stage 1. Two candidates proceeded to the Stage 2 Eligibility Interview.

Mutual Recognition

The Act facilitates freedom of movement of architects registered in other Australian states and territories between the respective jurisdictions. The Board normally approves an applicant for registration in NSW on completion of the prescribed application form and payment of the annual registration fee. In the reporting year, 76 interstate architects were admitted to the NSW Register of Architects under the terms of the *Mutual Recognition Act 1992*.

Automatic Mutual Recognition (AMR)

Automatic Mutual Recognition of Occupational Registrations (AMR) was commenced on 1 December 2022 for interstate architects providing services in NSW. Under this scheme, Automatic Deemed Registration (ADR) enables an architect registered in one Australian State or Territory to work in another State or Territory without completing a formal assessment or examination.

An interstate architect wishing to work in NSW under ADR has deemed registration in NSW and does not pay an individual registration fee in NSW. ADR allows such an architect to work in NSW because the architect is registered in the architect's home State. To be eligible to work in NSW under ADR an architect must, before commencing work as an architect in NSW, notify the NSW ARB via the notification process on the ServiceNSW platform. In the reporting year, 89 interstate architects notified the NSW ARB of their intention to provide architectural services in NSW under ADR including 4 pending notifications from architects who hold registration interstate. 42 ADR architects had previously been registered in NSW.

APEC Architect MRA

Asia Pacific Economic Cooperation (APEC) is a cooperative association between 21 regional economies, founded to promote economic and technical cooperation in the Asia-Pacific region. APEC builds on the World Trade Organization (WTO) General Agreement on Trade and Services (GATS) principles for the progressive liberalisation of trade in services through the reduction of regulatory restrictions, leading to reciprocal agreements between member economies where appropriate.

Australia, along with other APEC member economies, has agreed to participate in the APEC Architect framework, which aims to facilitate the access of APEC Architects to independent practice within the region. Those economies who are participating in the framework are Australia, Canada, People's Republic of China, Hong Kong China, Japan, Republic of Korea, Malaysia, Mexico, New Zealand, Republic of the Philippines, Singapore, Thailand, and the United States of America. A Central Council has been established by the participating economies. Each participating economy has established a Monitoring Committee to take responsibility for administration of the APEC Architect framework in that economy. Australia currently has mutual recognition agreements under the APEC Architect Agreement with Canada, Japan, and Singapore.

In the reporting year, 3 architects were admitted to the NSW Register of Architects under the terms of the APEC Architect MRA.

Trans-Tasman Mutual Recognition Agreement (TTMRA)

As a result of the Federal Government's passage of legislation mirroring that of the New Zealand Government, the TTMRA allows mutual recognition of registration between Australia and New Zealand.

In the reporting year, no architects from New Zealand were admitted to the NSW Register of Architects under the terms of the TTMRA.

United Kingdom / Australia / New Zealand Mutual Recognition Agreement (UK/AUS/NZ MRA)

The Mutual Recognition Agreement in place between the architectural licensing authorities of the United Kingdom (UK), Australia and New Zealand enables UK registered architects to bypass the APE.

In the reporting year, 15 architects were admitted to the NSW Register of Architects under the terms of the UK/AUS/NZ MRA.

United States / Australia / New Zealand Mutual Recognition Arrangement (US/AUS/NZ MRA)

The Mutual Recognition Arrangement in place between the architectural licensing authorities of the United States of America (US), Australia and New Zealand enables US architects registered in one of the 30 US jurisdictions that have agreed thus far to these arrangements to bypass the APE. US signatories include Alabama, Alaska, Arizona, California, Colorado, Connecticut, Iowa, Kansas, Louisiana, Maryland, Missouri, Montana, Nebraska, New Hampshire, New Mexico, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Virginia, Washington, West Virginia and Wisconsin.

In the reporting year, no architects were admitted to the NSW Register of Architects under the terms of the US/AUS/NZ MRA.

Architect corporations and firms

Section 11 of the Act provides that a corporation or firm must have a nominated architect responsible for the provision of architectural services to be considered as an architect corporation or firm. Corporations and firms are active if there is at least one nominated architect on the NSW List of Architect Corporations and Firms. A corporation or firm that does not have a nominated architect is considered inactive until a new nomination is received by the NSW ARB.

The number of active architect corporations and firms in NSW as at 1 August 2024 was 2,167.

Information sharing to support the licensing platform for the *Design and Building Practitioners Act 2020*

The NSW ARB has a Memorandum of Understanding with the Department of Customer Service (DCS) to share information from the NSW Register of Architects via an Application Programming Interface (API). The API minimises the administrative impact on architects of the requirements for registration under the *Design and Building Practitioners Act 2020* and facilitates the 'fast tracking' of registration of eligible architects in the 'Design Practitioner-Architectural' category. The API is only used to provide and update data from the NSW Register of Architects to the DCS licensing platform.

Profile of architects registered in NSW as of 1 August 2024

Total number of NSW registered architects						
2018	2019	2020	2021	2022	2023	2024
5202	5459	5669	5803	5870	5997	6221
Practising / Non practising 5587 / 634						

Number of new registrants						
2018	2019	2020	2021	2022	2023	2024
320	359	290	358	368	442	362

Qualifications of new registrants							
	2018	2019	2020	2021	2022	2023	2024
NSW university qualification	148	174	99	154	143	205	171
Interstate university qualification	36	46	28	27	25	48	32
Overseas university qualification	14	25	23	30	31	50	30
NZ/Hong Kong/Singapore/UK qualification	7	5	6	3	6	4	7
Experience Practitioner Assessment Overseas/Local	12	29	26	29	36	28	19
National Program of Assessment/NSW PPA	6	4	3	14	12	13	9
Mutual Recognition Australia	90	68	97	97	108	85	76
APEC Architect	0	0	0	0	0	1	3
TTMRA	3	3	6	1	3	4	0
UK/AUS/NZ MRA	-	-	-	-	-	0	15
US/AUS/NZ MRA	4	4	2	3	4	4	0
Temporary Registration (NSW)	0	1	0	0	0	0	0
Total	320	359	290	358	368	442	362

Location of registrants									
	NSW	ACT	NT	QLD	SA	TAS	VIC	WA	Overseas
Practising	4752	81	2	266	38	21	272	20	135
Non practising	490	4	1	28	5	4	15	3	84

Age and gender of registrants								
Age range	Practising				Non practising			
	M	F	I	Total	M	F	I	Total
90 +	0	0	0	0	7	1	0	8
80 to 89	43	2	0	45	64	5	0	69
70 to 79	257	26	0	283	149	25	0	174
60 to 69	624	130	0	754	106	32	0	138
50 to 59	788	376	4	1168	49	43	1	93
40 to 49	971	569	3	1543	40	42	1	83
30 to 39	929	709	0	1638	20	46	0	66
20 to 29	72	84	0	156	1	2	0	3
Total	3684	1896	7	5587	436	196	2	634

Gender **M** Male **F** Female **I** Indeterminate / Intersex / Unspecified

Protecting consumers

Complaints against the professional conduct of architects

Sixteen new complaints were received by the Board in the reporting year 1 July 2023 to 30 June 2024. One was determined as unsatisfactory professional conduct by the Board following an investigation.

As at 30 June 2024, 6 complaints were proceeding with determinations to be finalised, and 1 complaint was awaiting information from parties. One complaint was withdrawn by the complainant. One complaint was stayed. Five complaints were dismissed by the Board. For 1 complaint the Board was satisfied that the architect is guilty of unsatisfactory professional conduct and professional misconduct and the Board is in the process of applying to the Tribunal for a disciplinary finding against the architect.

Complaints from the previous reporting year 1 July 2022 to 30 June 2023

Three complaints from the previous reporting year (2022-23) were finalised and determined as unsatisfactory professional conduct by the Board following an investigation. One complaint from the previous reporting year (2022-23) was stayed. One complaint from the previous reporting year (2022-23) was withdrawn. Two complaints from the previous reporting year (2022-23) were dismissed.

Details of actions following the determination of complaints are published on the NSW Register of Disciplinary Action on the NSW ARB website:

<https://www.architects.nsw.gov.au/download/Register%20of%20Disciplinary%20Action.pdf>

Alternative dispute resolution

The NSW ARB regularly receives calls from consumers seeking advice on issues that may be currently unfolding with their architect or on site where early intervention can assist. The Board's complaints process is an effective mechanism to discipline architects who are found to have acted unprofessionally or incompetently. However, the complaints process can take time to afford procedural fairness to parties and reach a determination. For this reason, the NSW ARB may facilitate alternative dispute resolution with agreement from the parties. In the reporting year, the Board did not facilitate any mediation sessions.

Internal monitoring of enforcement procedures

Appropriate case management may assist in improved outcomes for all parties involved in complaints matters. The Board monitors the timeliness of its enforcement procedures in the following ways:

A *Triage Register* documents initial enquiries from consumers, recording the nature of their concerns / complaints. When enquiries are received from consumers, they are advised of their rights under the Act including the right to make a formal complaint. In the reporting year, 41 enquiries were recorded on the *Triage Register*: Two of these proceeded to a complaint; and 30 complaints were avoided or resolved by early advice and action.

- 10 enquiries (24%) related to a potential breach of clause 4 of the Code - Provision of architectural services generally
- 21 enquiries (51%) related to a potential breach of clause 6 of the Code - Provision of information to clients and prospective clients
- 14 enquiries (34%) related to a potential breach of clause 7 of the Code - Client agreements
- 10 enquiries (24%) related to a potential breach of the other clauses of the Code and/or the Act
- 9 enquiries (22%) related to other matters that do not constitute a breach of the Code
- 15 enquiries (37%) related to Development Applications, and
- 4 enquiries (10%) related to copyright.

Note that some enquiries related to breaches of multiple clauses of the Code and/or matters.

A *Mediation Register* records applications for mediation and the outcomes of the mediation undertaken.

A *Complaints Register* complements the NSW Register of Disciplinary Action and provides a means to measure the life cycle of the enforcement process.

Offences relating to the practice of architecture: Breaches of sections 9, 10 and 11 of the Act

The use of the title ‘architect’ is protected by the Act and can only be used by persons who are on the NSW Register of Architects. If architectural services are provided by a corporation or firm, then the entity must have nominated at least one architect who is responsible for the architectural services provided.

The Board has no jurisdiction over investigating the conduct of persons providing design services if they are not architects.

The Board investigates reports of persons or entities illegally representing themselves or others as architects and monitors classified advertising, social media, and websites to check compliance with sections 9, 10 and 11 of the Act. In cases where a potential breach is identified, the individual or entity is given the opportunity to remedy the matter. Where the representation is not remedied, the Board may take action against the individual or entity in the Local Court.

In the reporting year, there were 158 investigations of alleged offences relating to the practice of architecture. As at 30 June 2024, 102 cases were closed with the breaches rectified, 15 cases were closed with no breaches found upon investigation, 38 cases had been actioned and were awaiting a response, and 3 cases were pending investigation.

- 79 investigations related to a potential breach of section 9 of the Act, relating to an individual representing, or being represented, as an architect
- 112 investigations related to a potential breach of section 10 of the Act, relating to a corporation or firm representing, or being represented, as an architect corporation or firm
- 31 investigations related to an architect corporation or firm not having a nominated architect listed on all correspondence and displays, as required by section 11(2) of the Act, and
- 18 investigations related to breaches of the Code.

Note that some investigations related to breaches of multiple sections of the Act, for example where an individual was representing both themselves and their corporation or firm to be an architect and an architect corporation or firm.

Legal action

In the reporting year, the Board was not involved in any legal action.

Monitoring architects’ compliance with continuing professional development (CPD) requirements

Under section 24(2)(g) of the Act, the Board may remove an architect’s name from the NSW Register of Architects or under section 43(4) find the architect guilty of unsatisfactory professional conduct if the architect has failed to comply with continuing professional development (CPD) requirements.

Under clause 16 of the Code, architects must annually demonstrate to the NSW ARB that they have taken all reasonable steps to maintain and improve their knowledge and skills relevant to their architectural practice and their provision of architectural services. They are required to undertake a minimum of 20 hours of CPD annually, of which at least 10 hours must be Formal CPD activity. An effective CPD regime for architects is expected to have as its basis the 2021 NSCA.

Every year architects are randomly selected by the NSW ARB for a CPD audit. In the reporting year, 374 architects were selected for CPD audit. Of those audited architects, 299 (80%) were found to have complied with the CPD requirements. 75 architects (20%) were deemed to have not complied with the annual CPD requirements. Upon review by the Registrar and CPD Auditor, 52 of these matters were resolved, with conditions being imposed on some architects relating to their future CPD reporting. Of those remaining 23 architects who were deemed to have not complied, the Board initiated complaints against 2 architects for failing to demonstrate CPD compliance. The Board found 1 architect guilty of unsatisfactory professional conduct and removed 3 architects' names from the NSW Register of Architects.

Details of actions taken by the Board where architects are found to have failed to demonstrate CPD compliance are published on the NSW Register of Disciplinary Action on the NSW ARB website:

<https://www.architects.nsw.gov.au/download/Register%20of%20Disciplinary%20Action.pdf>

To support architects to meet their CPD requirements and to uplift understanding of the Act and Code, the NSW ARB delivers free Formal CPD webinars that focus on key aspects of the regulation of architects, including:

- Continuing Professional Development requirements for NSW architects
- How architects are regulated in NSW
- Introduction to the 2021 National Standard of Competency for Architects
- Nominating a responsible architect
- Pathways to registration
- Systemic risks in the Australian architecture sector
- What you need to know about being an architect in NSW
- Working with your client - how to avoid complaints

In the reporting year, the Registrar and employees delivered 31 hours of free webinars attended by a total of 1,316 architects.

Monitoring architects' compliance with Profession Indemnity Insurance (PII) requirements

Under section 24(2)(h) of the Act the Board may remove an architect's name from the NSW Register of Architects they have not met a requirement relating to Professional Indemnity Insurance (PII). Under clause 15 of the Code, an architect must maintain a policy of PII appropriate for the architectural services they are providing or apply to the Board for a PII exemption. They must give their clients information about the PII they hold for the architectural services they are providing.

Architects are required to annually make a declaration relating to PII and to upload a copy of their PII Certificate of Currency.

In the reporting year, there were 2 architects removed from the NSW Register of Architects for failing to meet a requirement relating to PII.

NSW ARB Short Form Architect Client Contract

Evidence shows that a concise client agreement protects consumers by providing them with a better understanding of the basis of their agreement with their architect. The *2019 NSW ARB Short Form Architect Client Contract (SFACC)* is a free online resource developed by the NSW ARB to assist consumers who intend to contract with architects, and to support architects to meet their obligations under the Code. It comprises a covering letter, services schedule and standard terms of agreement.

In the reporting year, there were 727 downloads of the covering letter and services schedule (Word doc) and 688 downloads of the standard terms (PDF) for the SFACC.

Contributions to inter-agency initiatives related to the regulation of architects

As a statutory, regulatory body, the NSW ARB works within government structures to inform inter-agency discussion on matters directly related to the regulation of architects, regularly participating in government taskforces and roundtable discussions.

In the reporting year, the NSW ARB participated in many interagency meetings relating to implementation of AMR and regulatory reforms in the NSW construction sector.

The Registrar meets monthly with the NSW Chapter President of the Australian Institute of Architects and on an as-needs basis with the NSW/ACT President of the Association of Consulting Architects.

Informing the public

The NSW ARB provides general advice to the public and consumers of architectural services to inform them about the ethics and professional standards that are generally expected of registered architects. The NSW ARB always seeks to use plain English and contemporary communication platforms to provide greater accessibility and ensure better understanding of complex professional and regulatory processes.

Monitoring the NSW ARB engagement strategy

The Engagement Committee is responsible for monitoring the ways in which the NSW ARB engages with the public and consumers of architectural services. A co-design process is used to better understand the service design of the NSW ARB, and a holistic approach is taken to strategically map and understand audience needs, NSW ARB services, and interactions with consumers.

NSW ARB website

The NSW ARB website provides a “one-stop-shop” for consumer and architect resources. A strong emphasis is placed on easily downloadable pdf factsheets and other publications. The NSW ARB database of architects and architect corporations is searchable from the website and can be used by the public to confirm the status of a person or corporation or firm.

In the reporting year the website was completely re-designed and re-launched, including a new menu functionality, search functionality, landing page sequencing, and search engine optimisation for content and colour accessibility.

In the reporting year, the NSW ARB website had 918,000 page views, 84,000 first visits and 83,000 unique visitors (*noting that unique visitors may not be actual number as the introduction of Cloudflare firewall service masks the count*).

NSW Architects Code of Professional Conduct 2017

The Code is schedule 2 of the Architects Regulation 2017. It provides architects and their clients with a statement of the standards required of architects when engaged to provide architectural services. A failure to comply with the Code may constitute unsatisfactory professional conduct for the purposes of the Act and may be grounds for disciplinary action under Part 4 of the Act.

The Code is also a useful informational document for consumers that clearly articulates the high professional standards delivered by architects and reconfirms the value of engaging an architect over a less qualified and possibly less experienced draftsman or building designer.

Working with your Architect resource

Working with your Architect is a resource published by the NSW ARB to guide consumers about the architect’s role and obligations to clients and, vice versa, the client’s role to assist their architect in the realisation of their project. The NSW ARB expresses no view about the quality of design services provided by architects and others, but endeavours to ensure that consumers’ choices on providers of building design services are based upon accurate information about the registration status of the service provider.

Lectures to architecture students

To support the development of professional education that ‘bridges’ competency between tertiary architectural education and registration, in the reporting year the Registrar delivered 6 hours of lectures to students in accredited architecture programs at the University of New South Wales, University of Sydney, University of Technology Sydney and Western Sydney University. Lecture content covered the education-practice-regulation context, the 2021 NSCA, pathways to register as an architect, the APE, the Act and the Code.

Lectures to architects

Beyond the provision of CPD for architects, the NSW ARB is committed to contributing to events offered to architects by other providers. In the reporting year, the Registrar regularly contributed to events hosted by the Australian Institute of Architects (NSW Chapter) and small practice networks.

Promoting architecture

The NSW ARB promotes architectural issues in the community to ensure consumers of architectural services are better informed so their rights can be better protected. To do this, the NSW ARB partners with industry, not for profit organisations and professional peak bodies to deliver public programs that inform, engage, and educate, including the following programs detailed below.

ARB+ engagement initiatives

The Sydney Architecture Festival (SAF) was presented annually by the NSW ARB in partnership with key stakeholders until it was disrupted by COVID in 2020. Last year, the Board decided the SAF should be archived, with key learnings used to inform new initiatives that will have greater public outreach.

In the reporting year, the Board established Terms of Reference for ARB+ to support the engagement initiatives of the NSW ARB. The purpose of ARB+ is five-fold, to

1. Amplify architecture in the public realm by bringing architectural discussions to the forefront of public discourse, and highlighting architecture's role in sustainability, community well-being, and cultural significance
2. Promote engagement with the community by facilitating initiatives that bridge the engagement gap between architects and the public, fostering informed community participation in architectural matters
3. Celebrate and showcase emerging architects, their innovative projects, and societal contributions
4. Nurture partnerships and collaborations with cultural and community-focused entities, promoting collective advancement, and
5. Educate and equip architects with the tools and knowledge they need for substantial public engagement and comprehensive professional representation.

The ARB+ initiative aims to achieve its purpose by collaborating with allied not for profit cultural and arts organisations and partnering in events and programs that are aligned to the celebration of architecture and reach a public audience.

MADE by the Opera House

Established in 2013 to mark the Sydney Opera House's 40th birthday celebrations, the Multidisciplinary Australian Danish Exchange, or MADE by the Opera House, is an Australian-Danish exchange program that, in the lead up to the Opera House's 50th Anniversary in 2023, has created an alumnus group of almost 100 students to continue the international and interdisciplinary links first forged by Jørn Utzon's masterpiece. It was a collaboration between the Sydney Opera House and the Royal Danish Academy of Fine Arts Schools of Architecture, Design & Conservation, supported by the NSW ARB, Arup, Steensen Varming, AMP Capital and 3 Danish foundations: the Bikuben Foundation, Dreyer Foundation and Henrik Frode Obel Foundation.

Each year, between 2014 – 2023, 5 students from a NSW university and 5 students from a Danish tertiary institution participated in the program in Denmark and Australia respectively.

The program concluded in October 2023 with a NSW ARB-sponsored event at the Opera House to coincide with the 50th Anniversary celebrations, attended by MADE alumni from all over the world. The NSW ARB also partnered in a symposium at the Opera House on 8 November 2023 titled "Sydney Opera House: Concept, Innovation, Realisation and Renewal".

The MADE legacy is intended to be continued through the Opera House BUILD program, a new multidisciplinary creative learning program for secondary and tertiary students that uses the Opera House building, site and story as a catalyst for learning about STEM, and solving real-world issues as identified by the UN Sustainable Development Goals. MADE Alumni will be engaged in mentoring BUILD students' professional development.

Sustainable House Day 2024

The NSW ARB was a sponsor for Sustainable House Day 2024, organised by Renew, a not-for-profit organisation that advocates for people to live sustainably in their homes and communities. This was a strategic opportunity to demonstrate the NSW ARB's commitment to environmental resilience and public education. The Sustainable House Day program included 103 open homes on 21 April 2024, followed in May by a series of 8 online sessions that provided deep dives on topics around sustainable building design and energy efficiency. A total of 5,245 participated in the program, supplemented by more than 22,000 views of house tour videos.

Architect's Medallion

The Architect's Medallion is awarded annually by the NSW ARB to a NSW graduate of an accredited Master of Architecture course who has achieved distinction both in a particular subject area at the final level and generally throughout the 2 years of the course. The Medallion is presented, along with a \$5,000 prize.

In 2024, the following 5 candidates were nominated by their universities:

- Chloe GESLER – The University of Newcastle
- Stephanie KENNEDY – The University of New South Wales
- Pierre DALAIS – The University of Sydney
- Lily CANNON – The University of Technology Sydney
- Maryann AZIZ – Western Sydney University

Chloe Gesler of the University of Newcastle was awarded the 2024 Architect's Medallion. The jury citation reads:

Chloe Gesler's project, "Underneath the Sand," is a deeply personal and insightful architectural response to the impacts of the 2019 drought in regional NSW, reflecting her years of growing up in regional Australia, and the connection and deep interest she has developed with the people and lands of the Wiradjuri, Yitha Yitha and Kamilaroi.

Chloe's proposal stands out for its empathetic understanding of the emotional and physical trauma caused by extreme weather conditions in regional Australia. It engages with the challenges experienced by First Nations people who witness the degradation of their environment during periods of prolonged drought and find their ability to continue practices that support their cultural identity eroded; and the distress of agricultural communities who are faced with the widespread death of livestock and farmland, social isolation and uncertainty about the future.

Chloe endeavours to address some of these unique challenges by designing a place for gathering, teaching, and healing. Her careful, generous, and rigorous approach yields a meticulous and beautifully resolved building that acknowledges the constraints of the site and is mindful of environmental responsibility as it integrates the history and future of the Country with the identity of the local community.

Her approach is characterised by a sophisticated knowledge of sustainable and resilient design, that is deeply engaged with Country and the intertwined histories of Indigenous and colonial narratives. She uses concentric circles to symbolise storytelling and water management, creating a structure that is both functional and symbolic and that celebrates the spiritual and cultural significance of water for renewal, cleansing and healing. The design includes modular and adaptable home units that address the needs of ageing populations, environmental comfort, and socio-cultural connection.

The jury is impressed by Chloe's commitment to working regionally and applying her skills to advocate for, and implement, sustainable design solutions that support the resilience of Indigenous and farming communities. Her work exemplifies how architecture can respond to climate change and the needs of diverse stakeholders through thoughtful, sustainable design.

Chloe Gesler is a promising architectural talent, who brings a unique perspective and dedication to the Dubbo region – the lands of the Wiradjuri, Yitha Yitha and Kamilaroi – that she calls home. The jury looks forward to following her future contributions to regional architecture, sustainability, and the well-being of her regional community.

Byera Hadley Travelling Scholarships (BHTS) program

The NSW ARB has awarded Byera Hadley Travelling Scholarships (BHTS) since 1951. The BHTS is bequeathed by the Estate of the late Byera Hadley and the Trust is managed by Perpetual Limited. The NSW ARB manages the BHTS program to enable winners to undertake an approved course of study, research or other activity that contributes to the advancement of architecture. The scholarship program must include travel, which may be overseas or within Australia. Scholarships are open to graduates and students of an accredited architecture program offered by a NSW university.

In the reporting year a total of \$126,000 was awarded for the BHTS to:

Georgina BLIX

Project title: *Design for Wellbeing*

\$27,750

Victoria KING

Project title: *Shop/House – A typological study of the original mixed-use building*

\$15,000 (Student award)

Andrea LAM

Project title: *Chinatowns are disappearing around the world – How can architecture ensure their future?*

\$27,750

Grace McLEAN

Project title: *HOME(like)BIRTH*

\$27,750

D’Arcy NEWBERRY-DUPE

Project title: *Killing our Darlings*

\$27,750

Building Connections program for schools

The NSW ARB has developed a range of education resources to promote a better understanding of architectural issues in local communities and schools.

Exhibitions of NSW graduating students

The NSW ARB is a major supporter annually of the exhibitions of graduating students mounted at the accredited programs of architecture in NSW. In the reporting year, a sum of \$5,000 was donated to each of the University of Newcastle, University of New South Wales, University of Sydney, University of Technology Sydney and Western Sydney University.

Research and development

Architectural Work Cultures: professional identity, education and wellbeing

In the reporting year, the NSW ARB concluded its partnership with Monash University under the Australian Research Council's Linkage Projects scheme (September 2020-September 2023), titled *Architectural Work Cultures: professional identity, education and wellbeing*

The research culminated in a symposium on 8-9 May 2024, held in Melbourne as a satellite event to the Australian Institute of Architects National Conference. The symposium communicated the findings of the research and introduced the resources and tools that have been developed. It was attended by architects, academics, leaders in the profession, and people responsible for wellbeing in the workplace, including HR and practice managers and directors of people and culture.

Outcomes include the *Guides to Wellbeing in Architecture Practice* addressing 5 interrelated areas that impact wellbeing at work: Value & Worth, Time & Money, Trust & Transparency, Risk & Responsibility, and Psychosocial & Psychological Safety. The Guides seek to support healthier workplaces and work environments and are available to download here:

<https://parlour.org.au/mental-wellbeing/0-guides-to-wellbeing-in-architecture-practice/>

The NSW ARB anticipates that flow-on impacts of the research will benefit consumers of architecture and the quality of the built environment more broadly.

Systemic risks in the Australian architecture sector

In the reporting year, the NSW ARB continued its partnership with the Architects Registration Board of Victoria (ARBV) on research to identify current and future systemic compliance issues and associated risks affecting regulation of the architecture profession in Australia. The project was initiated in 2022 in light of a range of recent developments affecting the profession, including high-profile cases here and abroad alleging negligence of architects, reviews of the Australian construction sector that have raised questions about the role of architects in sectoral outcomes, and various emerging disruptive forces that may have an impact upon the provision of architectural services by architects.

In 2023, focus groups were conducted with industry bodies, clients, builders, developers, insurers, architects and government regulators to dive deeply into themes identified in the original desktop research, namely client-architect relationships, design and construct procurement, National Construction Code compliance, and disruptive change. This has yielded an unprecedented perspective on the implications of systemic compliance issues and associated risks affecting the architecture profession and is informing proactive regulatory activities and targeted initiatives by the two largest regulators of the profession in Australia. Various interventions to tackle different aspects of these risks are being implemented by the NSW ARB, including Continuing Professional Development (CPD), guidance for architects and clients, and legislative reform.

The *Deep Dive into Systemic Risks in the Australian Architecture Sector* report by the NSW ARB and ARBV is published on the NSW ARB website:

<https://www.architects.nsw.gov.au/download/2024%20DETAILED%20OF%20DEEP%20DIVE%20REPORT.pdf>

Australian Research Council (ARC) Industrial Transformation Training Centre for Next-Gen Architectural Manufacturing

In the reporting year, the NSW ARB became a Peak Body Partner with UNSW Sydney, Swinburne University of Technology and The University of Adelaide in the ARC Industrial Transformation Training Centre for Next-Gen Architectural Manufacturing (2024 – 2028). Dr Kirsten Orr (Registrar of the NSW ARB) is a Partner Investigator for the Centre.

The Centre currently has 5 industry partners (Architectus, Bollinger + Grohmann, Cox, Grimshaw, Tzannes), 4 peak body partners (NSW ARB, Architects Accreditation Council of Australia, Association of Consulting Architects, Australian Institute of Architects) and 3 international academic partners (Institute for Advanced Architecture of Catalonia, Royal Danish Academy Centre for Information Technology and Architecture, The Bartlett School of Architecture).

Research will focus on harnessing the power of data and digital processes, workflows, and tools to deliver sustainable productivity and efficiency improvements in the Architecture, Engineering and Construction ('AEC') sector. The 6 high-level objectives of the research are to reduce the (1) waste produced, (2) carbon emitted, and (3) resources used by the AEC sector, while delivering projects (4) on time, (5) on budget, and (6) for the benefit of the community. This will support NSW ARB initiatives, particularly:

- identification of registered architects' learning needs relevant to sustainability issues and digitalisation
- delivery of industry-wide workshops to inform regulatory reform designed to improve construction quality and uplift sustainability of the construction industry
- development of CPD offerings by NSW ARB and others related to issues in the NSW Architects Code of Professional Conduct, particularly CPD that builds registered architects' digital understanding, knowledge and skills to support compliance with their professional obligations to deliver complex projects within budget, time and prescribed quality (addressing clauses 4, 6, 13, 16 of the Code), and
- development by others of short courses / micro-credentials / paraprofessional training to plug the gap between Master of Architecture graduate competencies and workforce needs.

Land disposal

The NSW ARB did not own or dispose of any properties during the reporting year.

MANAGEMENT AND ACCOUNTABILITY

Leadership and organisational structure

Leadership skills and diversity

As at 30 June 2024 the eleven-person Board comprised 7 women (64%). The Deputy President is a woman.

Remuneration of senior executives

The NSW ARB complies with the Senior Executive reporting requirements of *Public Service Commissioner Circular PSCC 2014-09 Changes to annual reporting for senior executives and workforce diversity*.

As at 30 June 2024 the NSW ARB employed one female staff member in a Senior Executive role equating to Band 1 of Public Sector Senior Executive salary (PSSE) with remuneration package of \$284,472.61, compared to \$272,259.36 in 2022/2023. The number of senior executives remains the same as for 2022/2023.

23.65% of the total employee-related expenditure for the reporting year was related to the Senior Executive position, compared with 24.98% in 2022/2023.

Organisational chart

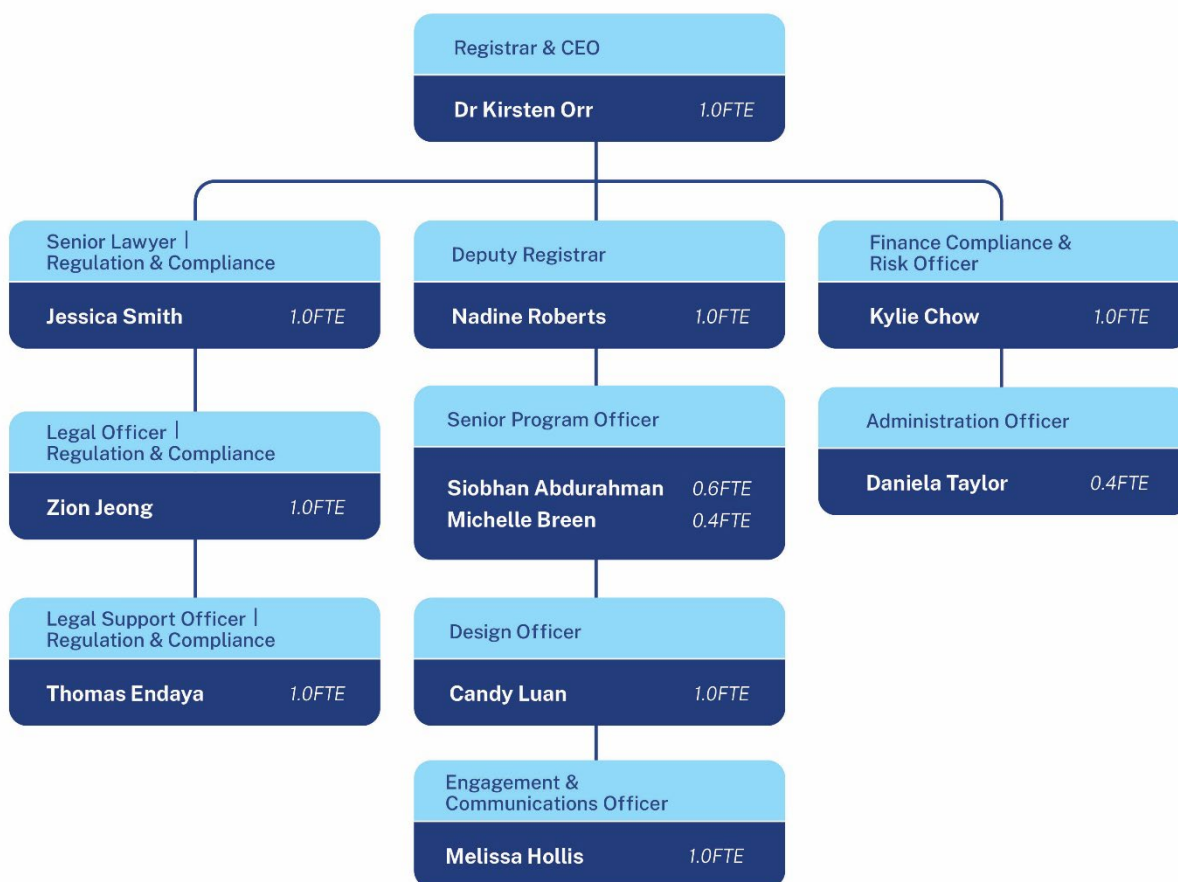


Figure 2. Organisational chart

Officers and employees

Board members

Name	Description	Term
Current Board members as at 30 June 2024		
Glenn Scott*	Board President, architect representing interests of practising architects	Nov 2023 – Nov 2025
Prof Helen Lochhead AO	Deputy President, architect elected member	2020 – Dec 2024
Sara Jinga*	Representing the public interest in architectural matters	2020 – Nov 2024
Dr Tim Williams*	Representing the property development industry	2020 – Nov 2024
Peter Conroy*	Representing local government in respect of the quality of building	Nov 2023 – Nov 2025
Paul Lalich	Australian legal practitioner expert in building and construction law	Dec 2022 – Dec 2024
Skye Mason*	Representing the building industry	Nov 2023 – Nov 2025
Laura Cockburn	Immediate Past President of the Australian Institute of Architects NSW Chapter	Feb 2023 –Ex-officio
Abbie Galvin	NSW Government Architect	2020 – Ex-officio
Dr Rebecca McLaughlan	Architect academic from relevant educational institution (The University of Sydney)	Feb 2023 – Feb 2025
Jocelyn Jackson	Architect elected member	Dec 2022 – Dec 2024
Retired Board members		
Dr Deborah Dearing*	Board President, architect representing interests of practising architects	2017 – Nov 2023
Tim Moore*	Representing local government in respect of the quality of building	2020 – Nov 2023
Michael Grant*	Representing the building industry	2020 – Nov 2023

* *Appointed by the Minister*

Board meeting attendance to 30 June 2024

NAME	JUL 2023	AUG 2023	SEP 2023	OCT 2023	NOV 2023	DEC 2023	JAN 2024	FEB 2024	MAR 2024	APR 2024	MAY 2024	JUN 2024	TOTAL
G SCOTT (M)	N/A	N/A	N/A	N/A	√	√	√	√	√	√	√	√	8/8
H LOCHHEAD AO (E)	√	√	√	√	√	√	√	√	√	A	√	A	10/12
S JINGA (M)	√	√	A	√	√	√	√	√	√	A	√	√	10/12
T WILLIAMS (M)	√	√	A	√	A	√	A	√	A	√	√	√	8/12
P CONROY	N/A	N/A	N/A	N/A	√	A	√	√	A	√	√	A	5/8
P LALICH (M)	√	√	√	√	√	√	√	√	√	√	√	√	12/12
S MASON (M)	N/A	N/A	N/A	N/A	A	√	√	√	√	√	√	√	7/8
L COCKBURN (ExO)	√	√	√	√	√	√	A	√	√	√	√	A	10/12
A GALVIN (ExO)	√	√	A	√	A	A	√	√	A	A	√	A	6/12
R MCLAUGHLAN (AM)	√	A	√	√	√	√	√	√	√	√	√	A	10/12
J JACKSON (E)	√	√	√	√	√	√	√	√	√	√	√	√	12/12
D DEARING (M)	√	A	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3/4
T MOORE (M)	A	A	A	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1/4
M GRANT (M)	√	√	A	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3/4

M Appointed by Minister

O Observer

A Absent

E Elected

AM Academic Member

N/M No meeting

ExO Ex officio

LOA Leave of absence

N/A Not appointed

Employees

Employees as at 30 June 2024

Dr Kirsten Orr	Registrar/CEO (PhD (UNSW), BArch (Hons) (UTS), Registered Architect NSW 6236)
Nadine Roberts	Deputy Registrar
Siobhan Abdurahman	Senior Program Officer (commenced August 2023) (0.6FTE)
Michelle Breen	Senior Program Officer (commenced October 2023) (0.4FTE)
Kylie Chow	Finance Compliance and Risk Officer
Thomas Endaya	Legal Support Officer, Regulation and Compliance (commenced April 2024)
Melissa Hollis	Engagement and Communications Officer
Zion Jeong	Legal Officer, Regulation and Compliance
Candy Luan	Design Officer
Jessica Smith	Senior Lawyer, Regulation and Compliance
Daniela Taylor	Administration Officer (0.4FTE)

Assessors

The NSW ARB draws upon the services of architects who serve as assessors for the Architectural Practice Examination (APE) and NSW Portfolio Program of Assessment (NSW PPA) registration pathways. The NSW ARB also nominates NSW representatives to the Accreditation Standing Panel for the *AACA Architecture Program Accreditation Procedure in Australia and New Zealand*.

Fees are paid by the NSW ARB to assessors for the APE and NSW PPA.

Associate Professor Melonie Bayl-Smith currently holds the role of NSW State Convenor for the APE.

Architectural Practice Examination (APE) Assessors

N G Antunes Martins Do Vale	J Ezer	F Lewis	M P Roberts
J R Barr	F Fadhil	J Lukaszewicz-Pluta	S Rofail
J Bastian	M D Ford	G J Luscombe	J Rowe
J A Bilmon	P Fung	C C Macdonald	C G Saltmarsh
J E Blake	P F Gallagher	C M Matheson	J Sarkis
M G Boffa	B Giles	C J McCann	F Segabinazzi Siqueira
N Brcar	G P Gonzalez	C L McCaughan	C W Sheeran
W J Brindle	L Gosling	B J McHarg	I O Sheridan-Miller
T A G Browne	A Greenway	D G McKendry-Hunt	B Sonter
M C Bullen	C A Grennan	M C McNeil	E D B Springett
G A Cameron	C S R Gunton	K Mills	R S Stevens
S Cetin	S Y Guo	C A Mitchell	S P Stewart
L N Chandiook	M Hashemi	D Moon	M Strangas
M Chao	M K Helms	M J Morony	C Y Sung
J Che	T M Helyar	S Nelson	E Teicher Gertel
A K C Cheah	S M J Hope	M Nurman	H I Ten Brummelaar
L Chiu	S Hsu	A K Oates	C M Trevor-Jones
J G Cockings	R J Hudson	R P O'Brien	D Van Der Breggen
J E Connor	P A Iglesias McLeod	V Olivar Alcamí	V M Van Dijk
S Crawford	J L Jackson	C S Y Pang	V L Waller
S B S Cullen	T L Johnson	K A Pearce	X L Wang
K M Datu	M E Jones	I M Pearson	T G M Wetherill
J Debek-Kozyra	A E Kaplun	M S Pellen	H Whattam
G Dix	T E Keyes	T K Phung	D M Wilson
M Doebelin	M Kitmiridis	C S Polwarth	M Y Xu
B Dragas	K Klinger	E M Prineas	D Yong
V A Dudman	B N Kugan	D J Puleo	C L M Zuza
M Dunas	V A Lane	M B Pullinger	
J El-Sabbagh	G Lekosis	R Ratcliffe	
J F English	L J Lesslie	P J Reed	

NSW Portfolio Program of Assessment (NSW PPA) Assessors

D Alic	B Giles	L Matthews	P Reed
D Barnstone	B Jackson	R McLaughlan	D Reinhardt
P Berkemeier	D Jones	P Oldfield	T Schork
T Browne	C Lassen	M Ostwald	D Van der Breggen
A Burke	F Lewis	E Prineas	
M Chapman	G Luscombe	M Pullinger	
B George	C Matheson	R Ratcliffe	

NSW Representatives to AACA Accreditation Standing Panel

D Alic	L Cockburn	P Lonergan	P Reed
D Barnstone	J Jackson	S Loschke	G Reinmuth
P Berkemeier	D Jones	H Moline	F Siqueira
M Bayl-Smith	U Komac	M Mossman	L Stickells
M Chapman	C Lassen	P Oldfield	P Stracchi
D Clarke	F Lewis	M Pullinger	D Van der Breggen

NSW ARB governance

The work of the NSW ARB derives from the objects and functions set out in the Act. There are specific Board delegations outlined in the Act. Authority for making decisions rests with the Board unless specifically delegated to a committee or the Registrar. The Board has a committee structure in place with defined responsibilities.

Board committees

Under the provisions of section 62 of the Act

1. The Board may establish committees to assist it with the exercise of any of its functions.
2. It does not matter that any or all of the members of a committee are not members of the Board.

[Note: these provisions do not apply to the Complaints Committee.]

Board committees are supported by the Registrar and other employees as appropriate. As at 30 June 2024 the Complaints Committee, Finance and Risk Committee and Engagement Committee were in operation.

Complaints Committee

The Complaints Committee oversees the statutory obligations imposed upon the Board relating to disciplinary complaints against the conduct of architects, and complaints about individuals, corporations and firms representing themselves to be architects.

Under section 45(3) of the Act, the Complaints Committee must be constituted by 3 members of the Board, of whom one must be an Australian legal practitioner (and the Chair), one must be an architect, and one must be a member who is neither an Australian legal practitioner nor an architect.

Members as at 30 June 2024: Paul Lalich (Legal member and Chair), Laura Cockburn (Architect member) and Tim Williams.

Finance and Risk Committee

The Finance and Risk Committee meets quarterly to consider financial matters, cyber security risk management issues, information privacy concerns and compliance with legislative changes and government policies. The Committee makes recommendations to the Board for adoption.

Terms of reference include oversight of

- Governance, risk and control frameworks, internal financial planning, and external accountability requirements
- Annual budget planning, human resources; staff welfare and remuneration
- Cyber security controls and risk management processes
- Workplace Health and Safety responsibilities.

In the current reporting year, the Finance and Risk Committee reviewed the

- Assessment of the likely financial impact of Automatic Mutual Recognition
- Draft 2024 – 2025 budget
- Financial statements for the year ended 30 June 2024
- Cyber security annual reporting and annual attestation statement
- Other internal policies necessary to ensure legislative compliance.

Members as at 30 June 2024: Professor Helen Lochhead AO (Chair), Sara Jinga and Glenn Scott.

Engagement Committee

The Engagement Committee provides oversight for the functions of the Board set out in section 61(h-i) of the Act, including the promotion of community discussion about architectural issues and the provision of general advice to consumers of architectural services.

Terms of reference include oversight of

- Strategies to enable the NSW ARB to engage dynamically, creatively and intelligently with the public and stakeholders and communicate the role of the NSW ARB and how design and architecture shape the environment we build around us
- Programs and resources for the public that are relevant, accessible, accurate and informative about what to expect when working with an architect, and the ethics and standards of professional competence that are required of architects
- NSW ARB digital platforms to ensure that information and resources are accessible, relevant, and appropriately designed
- Platforms for NSW ARB engagement with the broader community to communicate the value and role played by architects in the built environment
- Programs and resources for primary and secondary schools to promote a better understanding by pupils and teachers of architectural issues
- Partnerships with stakeholders and architects.

Members as at 30 June 2024: Sara Jinga (Chair), Laura Cockburn, Jocelyn Jackson, Dr Rebecca McLaughlan, Tim Williams.

Architects Accreditation Council of Australia

The AACA is constituted of nominees from all the state and territory architect registration boards in Australia. It is a not-for-profit company limited by guarantee that works in collaboration with the architect registration boards on matters of national interest to the profession, industry and the public. The Members of the AACA include the Chair and Registrar of each architect registration board in each state and territory in Australia. The NSW ARB Board President and NSW ARB Registrar are ex-officio members of the AACA.

The AACA:

- maintains the 2021 NSCA – which underpins all assessment processes on the path to registration as an architect in Australia
- administers the national APE
- administers the *Architecture Program Accreditation Procedure in Australia and New Zealand*
- administers various competency-based assessment processes leading to registration as an architect in Australia, including the National Program of Assessment (NPrA) and the Local/Overseas Experienced Practitioner Assessment
- assesses overseas architectural qualifications through the Overseas Qualifications Assessment process
- negotiates international mutual recognition agreements.

A Registrars' network comprises the Registrars from each architect registration board in each state and territory in Australia. Within the constraints of respective state and territory legislation, the network shares information and facilitates the streamlining of administrative procedures that must be followed by architects and architect corporations around Australia.

Human resources

Consultants

The NSW ARB contracts on an ongoing basis the services of external contractors to maintain plant (a separate air conditioning system in the Board room) and consultants to manage its IT system and necessary upgrades. These services are provided under Service Agreements. The NSW ARB also engages on an ad hoc basis with contractors to provide advice.

In the reporting year, the NSW ARB engaged 10 consultants with a total cost of \$194,634.92.

Promotion

There were no overseas visits undertaken by Board members or employees during the reporting year.

Legislation

Architects Act 2003

The NSW ARB administers the *Architects Act 2003* (the 'Act'), the legislation regulating architects in NSW.

Legal changes to the Act and subordinate legislation

There were no changes to the Act in the reporting year. The NSW ARB continues to work with the Department of Customer Service and the Building Commission NSW regarding changes to the Act in connection with proposed building reforms.

Additional statutory reporting obligations

Privacy and Personal Information Protection Act 1998 (PPIPA)

The NSW ARB collects information about architects for the purposes of registration as allowed under the provisions of the Act. In doing so, the NSW ARB implements its Privacy Management Plan in compliance with the requirements of the *Privacy and Personal Information Protection Act 1998*. There were no requests for privacy reviews in the reporting year.

Government Information (Public Access) Act 2009

The *Government Information (Public Access) Act 2009* (GIPA Act) applies to all NSW Government agencies, including the NSW ARB. The GIPA Act encourages the proactive release of information about the NSW ARB as well as facilitating requests from the public for specific information held by the NSW ARB.

The section below aims to meet the NSW ARB's obligations under section 125 of the GIPA Act.

Review of authorised release of public information

Under section 7(3) of the GIPA Act, an agency must review its program for the release of government information annually. The NSW ARB has an agency access guide as required by section 20 of the GIPA Act and makes government information publicly available as provided by this guide.

The NSW ARB releases a significant amount of information under section 7 of the GIPA Act, including the NSW Register of Architects, the NSW List of Architect Corporations and Firms and numerous policy documents, factsheets and other publications. Such releases are facilitated through publication on the NSW ARB website or through written and verbal correspondence from the Registrar and employees.

The NSW ARB releases, on an informal basis, historical information from the NSW Register of Architects to persons the subject of the information. The NSW ARB also releases, on an informal basis, certain historical information from the NSW Register of Architects at the request of members of the public. Such releases are carried out under the GIPA Act, having regard to relevant NSW personal information legislation.

Informal Releases

In the reporting year, 7 informal access requests were granted to members of the public by the NSW ARB and the Registrar under section 9 of the GIPA Act. Six informal releases related to requests by individuals who sought information regarding registration details of architects and former architects. One release related to a request by an individual who sought information regarding the NSW ARB Continuing Professional Development ('CPD') retention policy.

Formal Access Applications

In the reporting year, the NSW ARB and the Registrar did not receive any formal access applications under Part 4 of the GIPA Act.

Schedule 2 tables

Below are the completed tables contained in schedule 2 to the Government Information (Public Access) Regulation 2018 (NSW) (GIPA Regulation) as required under section 125 of the GIPA Act and regulation 8 of the GIPA Regulation.

Table A: Number of applications by type of applicant and outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0
Members of the public (other)	0	0	0	0	0	0	0	0

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B: Number of applications by type of application and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	0	0	0	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

* A *personal information application* is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table C: Invalid applications

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of Act)	0
Application is for excluded information of the agency (section 43 of Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0
Information about complaints to Judicial Commission	0
Information about authorised transactions under <i>Electricity Network Assets (Authorised Transactions) Act 2015</i>	0
Information about authorised transaction under <i>Land and Property Information NSW (Authorised Transaction) Act 2016</i>	0

* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act

	Number of applications
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	0
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	0

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal review			0
Review by Information Commissioner*			0
Internal review following recommendation under section 93 of Act			0
Review by NCAT			0
Total			0

* The Information Commissioner does not have the authority to vary decisions but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table H: Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review
Applications by access applicants	0
Applications by person to whom information the subject of access application relates (see section 54 of the Act)	0

Table I: Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)

	Number of applications transferred
Agency-initiated transfers	0
Applicant-initiated transfers	0

Public Interest Disclosures Act 1994

There were no disclosures received from any officer of the Board for the reporting year. No reports were received in relation to corrupt conduct, maladministration, serious and substantial waste of public money, government information or local government pecuniary contraventions.

The *Public Interest Disclosures Act 1994* (PID Act 1994) was repealed on 1 October 2023. The following information is provided in accordance with section 31 the PID Act 1994 for the relevant period, 1 July 2023 to 30 September 2023, of the reporting year.

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|
| a. Number of public officials who have made a PID to the NSW ARB | ZERO |
| b. Total number of PIDs received by the NSW ARB | ZERO |
| c. Breakdown of PIDs received by the NSW ARB | |
| i. Corrupt conduct | ZERO |
| ii. Maladministration | ZERO |
| iii. Serious and substantial waste of public money | ZERO |
| iv. Government information contraventions | ZERO |
| v. Local government pecuniary interest contraventions | ZERO |
| d. Number of PIDs finalised by the NSW ARB | ZERO |
| e. PID policy in place | |
| The PID policy was approved by the Board at the September 2021 Board meeting. | |
| f. Action taken by the Registrar to ensure that staff are aware of, and have met, their responsibilities under section 6E(1)(b) of the PID Act 1994 | |
| All employees are provided with a copy of the policy and receive training in the PID regime. Board members are provided with a copy of the policy and are informed of their rights and obligations under the PID Act. | |
| g. State government requirements | |
| The Premier's Memorandum <i>M2011–22 Public Interest Disclosures – New Reporting Requirements</i> states that heads of government agencies should nominate officers who will be responsible for preparing the annual and 6-monthly reports and ensuring that the required information is collected. The Registrar has nominated the Senior Lawyer Regulation and Compliance (currently Jessica Smith) to fulfil this role. | |
| h. PID online reporting | |
| The NSW ARB has nominated the Senior Lawyer to access the PID portal and input data 6-monthly. | |

The *Public Interest Disclosures Act 2022* ('PID Act 2022') commenced on 1 October 2023. Pursuant to section 76 of the PID Act 2022, from 1 October 2023 the NSW Ombudsman is the responsible agency to report to Parliament in relation to each period of 12 months ending on 30 June (the reporting period).

Pursuant to section 78 of the PID Act 2022, the NSW ARB is required to submit an annual return to the Ombudsman via the PID portal in relation to each period of 12 months ending on 30 June (the return period), the relevant return period being 1 October 2023 to 30 June 2024.

To comply with the PID Act 2022, the NSW ARB's PID policy was revised and approved by the Board at the September 2023 Board meeting.

Economic or other factors

The NSW ARB had no economic or other factors affecting achievement of operational objectives for the reporting year.

Exemptions

The NSW ARB had no exemptions for the reporting year.

Website for publication of annual report

This annual report is published on the NSW ARB website at www.architects.nsw.gov.au/about/annual-reports

There were no external costs incurred in the production of this report.

Internal audit and risk management (compliance with TPP20-08)

Risk management and insurance activities

The NSW ARB maintains appropriate insurances including Workers' Compensation, Public Liability and Contents insurance and Association Liability insurance for the protection of Board Members. The NSW ARB also has sufficient premium cover for Office Pack and Cyber Event Protection. These insurances are reviewed annually to ensure appropriate cover.

The NSW ARB maintains and updates an asset register on an annual basis.

Authority for making decisions rests with the Board unless specifically delegated to a committee or the Registrar. There is a financial delegation of \$5,000 in place in relation to expenditure by the Registrar without referral to the Board. Specific delegations are identified in the NSW ARB Financial Management Framework. Recommendations and decisions are minuted at each Board meeting. Independent legal advice is sought as required.

The Board has a Finance and Risk Committee. *Refer* MANAGEMENT AND ACCOUNTABILITY – NSW ARB Governance above for more detail about the objectivities and activities of this committee in the reporting year.

Internal audit and risk management policy attestation

In November 2023, the NSW ARB received confirmation from Treasury of the continuation of the small agency exemption of the Internal Audit and Risk Management Policy *TPP 20-08 Internal Audit and Risk Management Policy for the General Government Sector*.

The NSW ARB will complete its internal assessment for 30 June 2024 against the relevant criteria and advise NSW Treasury if its small agency exemption under *TPP 20-08* had changed by more than 20%. Once the audited financial statement is finalised in October 2024, the NSW ARB will again seek confirmation from NSW Treasury of the continuation of the small agency exemption under *TPP 20-08*.

The NSW ARB has internal risk management processes in place that are, in all material respects, compliant with the core requirements set out in *TPP 20-08*. These processes provide a level of assurance that enables the senior management to understand, manage and satisfactorily control risk exposures.

SUSTAINABILITY

Environmental matters

There were no sustainability or climate-related matters material to the NSW ARB operations or financial statements for the reporting year.

The net lettable area of the NSW ARB office premises is 217m². The NSW ARB seeks to make resource efficiency standard practice. Since 2017, a 'digital only' policy has been in place to reduce paper waste. All new electrical equipment purchased is at least the market average star rating and/or recognised as high efficiency. No vehicles are owned or leased by the NSW ARB.

Social matters

Workforce diversity

The Government policy of workforce diversity is observed by the NSW ARB in the recruitment and management of employees and voluntary appointments to committees and working groups, including the representation of Aboriginal and Torres Strait Islanders, women, people from culturally and linguistically diverse backgrounds, people with a disability and young people. The NSW ARB is proactive in endeavouring to improve the gender balance of employees.

The NSW ARB employs 10.4FTE staff from across a range of backgrounds, age and gender. As of 30 June 2024, employees included 3 people whose language first spoken as a child was not English, 2 people with a disability, and one woman in Senior Leadership.

Work health and safety

The NSW ARB Work Health and Safety policy and procedures are updated in line with relevant legislative procedures every three years and reviewed annually. There were no reportable incidents for the reporting year, and no work-related injuries, illnesses or prosecutions under the *Work Health and Safety Act 2011*.

Disability inclusion

The NSW ARB office premises were upgraded in 2022 to comply with accessibility requirements specific to the agency's obligations as a Lessee and Government agency.

Supply chain impacts and procurement practices

There were no supply chain impacts on the NSW ARB for the reporting year. No procurement activities for the acquisition of goods and services were undertaken for the reporting year.

Modern Slavery Act 2018

The NSW ARB does not have an annual consolidated revenue of more than \$100 million and is not required to report on the risks of modern slavery in its operations and supply chains, and actions to address those risks.

Indigenous engagement

The NSW ARB did not undertake any indigenous engagement in the reporting year.

FINANCIAL PERFORMANCE

Income

The NSW ARB is entirely funded by fees levied upon NSW architects and architect corporations and firms, APE fees, and fines as determined by the Board arising from disciplinary procedures. The fees collected fund NSW ARB operations and include contingencies for legal costs, development of information for consumers and general administration. The Board has determined that at least 9 months' operational funds should be kept in reserve. The Board manages any reserves in the "Architects Fund" to meet the fourth objective identified in the Act – to promote a better understanding of architectural issues in the community.

NSW ARB financial management framework

The NSW ARB Financial Management Framework outlines financial policies and procedures for handling all financial matters, as well as internal controls for cyber security. The Framework is regularly reviewed and updated to reflect Government policies, directives and memoranda, Board decisions, NSW ARB policies, and appropriate improvements proposed by employees.



INDEPENDENT AUDITOR'S REPORT

NSW Architects Registration Board

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of the NSW Architects Registration Board (the Board), which comprise the Statement by the Accountable Authority, the Statement of Comprehensive Income for the year ended 30 June 2024, the Statement of Financial Position as at 30 June 2024, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a Statement of Material Accounting Policies, and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2024* (GSF Regulation) and the Treasurer's Directions
- present fairly the Board's financial position, financial performance and cash flows.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Board in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

The Board's Responsibilities for the Financial Statements

The Board is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation and Treasurer's Directions. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Board's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Board carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



David Daniels
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

30 October 2024
SYDNEY

NSW Architects Registration Board

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

STATEMENT BY THE ACCOUNTABLE AUTHORITY

Pursuant to section 7.6 (4) of the *Government Sector Finance Act 2018* ("the Act"), we state that these financial statements:

- a) have been prepared in accordance with the Australian Accounting Standards and the applicable requirements of the Act, the *Government Sector Finance Regulation 2024* and the Treasurer's directions, and
- b) present fairly the NSW Architects Registration Board's financial position, financial performance, and cash flows.



Glenn Scott
President



Helen Lochhead
Deputy President

29 October 2024

NSW Architects Registration Board
Financial Statements
for the year ended 30 June 2024

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**NSW Architects Registration Board
Statement of Comprehensive Income
for the year ended 30 June 2024**

	Notes	2024 \$	Restated 2023 ¹ \$
Expenses excluding losses			
Operating expenses			
Employee related expenses	2(a)	1,279,836	1,089,967
Other operating expenses	2(b)	915,510	739,154
Depreciation	2(c)	199,771	178,014
Grants and subsidies	2(d)	22,727	13,636
Finance Costs	2(e)	32,471	35,261
Total expenses excluding losses		2,450,315	2,056,032
Revenue			
Fees	3(a)	2,181,291	2,173,392
Investment revenue ¹	3(b)	244,567	143,185
Architects Accreditation Council of Australia Examination / NSWARB Portfolio Program of Assessment	3(c)	456,610	349,346
Other revenue	3(d)	52,044	33,921
Total Revenue		2,934,512	2,699,844
Operating result			
Losses on disposal	4	-	(74)
Net result ¹		484,197	643,738
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME ¹		484,197	643,738

The accompanying notes form part of these financial statements.

¹ The Comparative has been restated due to a prior period error. Refer to Note 1(e) for more information.

NSW Architects Registration Board
Statement of Financial Position
as at 30 June 2024

	Notes	2024 \$	Restated 2023 ¹ \$	Restated 1 July 2022 ¹ \$
ASSETS				
Current Assets				
Cash and cash equivalents ¹	5	6,457,349	5,859,514	5,367,491
Receivables	6	56,115	49,586	97,498
Other financial assets	7	60,549	57,806	56,405
Total Current Assets ¹		6,574,013	5,966,906	5,521,394
Non-Current Assets				
Property, Plant and Equipment				
Office equipment	8	56,205	60,510	20,967
Office fitout	8	487,977	541,715	445,410
Leasehold improvements	8	1,219	15,845	30,472
Total Property, Plant and Equipment		545,401	618,070	496,849
Right-of-use assets	9	1,044,612	1,160,547	1,266,821
Total Non-Current Assets		1,590,013	1,778,617	1,763,670
Total Assets ¹		8,164,026	7,745,523	7,285,064
LIABILITIES				
Current Liabilities				
Payables ¹	11	130,280	140,367	292,859
Contract liabilities	12	1,802,407	1,718,050	1,662,869
Lease liabilities	13	101,100	103,690	96,934
Provisions	14	207,313	164,624	146,033
Other Current Liabilities		-	-	3,858
Total Current Liabilities ¹		2,241,100	2,126,731	2,202,553
Non-Current Liabilities				
Contract liabilities	12	524,490	606,050	611,088
Lease liabilities	13	1,010,090	1,111,190	1,214,880
Provisions	14	93,400	90,803	89,532
Total Non-Current Liabilities		1,627,980	1,808,043	1,915,500
Total Liabilities ¹		3,869,080	3,934,774	4,118,053
Net Assets ¹		4,294,946	3,810,749	3,167,011
EQUITY				
Accumulated funds ¹		4,294,946	3,810,749	3,167,011
Total Equity ¹		4,294,946	3,810,749	3,167,011

The accompanying notes form part of these financial statements.

¹ The Comparative has been restated due to a prior period error. Refer to Note 1(e) for more information.

**NSW Architects Registration Board
Statement of Changes in Equity
for the year ended 30 June 2024**

	Accumulated funds	Total
	\$	\$
Balance at 1 July 2023 ¹	3,875,323	3,875,323
Correction of error – restatement of cash and cash equivalents and liabilities	(64,574)	(64,574)
Restated balance at 1 July 2023	3,810,749	3,810,749
Restate net result for the year ¹	484,197	484,197
Total other comprehensive income	-	-
Restated total comprehensive income for the year	484,197	484,197
Restated balance at 30 June 2024 ¹	4,294,946	4,294,946
Balance at 1 July 2022	3,225,147	3,225,147
Correction of error – restatement of cash and cash equivalents and liabilities	(58,136)	(58,136)
Restated balance at 1 July 2022	3,167,011	3,167,011
Restate net result for the year ¹	643,738	643,738
Total other comprehensive income	-	-
Restated total comprehensive income for the year ¹	643,738	643,738
Restated balance at 30 June 2023 ¹	3,810,749	3,810,749

The accompanying notes form part of these financial statements.

¹ The Comparative has been restated due to a prior period error. Refer to Note 1(e) for more information

**NSW Architects Registration Board
Statement of Cash Flows
for the year ended 30 June 2024**

	Notes	2024 \$	2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee related		(1,232,200)	(1,089,967)
Grants and subsidies		(22,727)	(13,636)
Suppliers for goods and services		(937,216)	(972,690)
Finance Costs		(32,471)	(35,261)
Total Payments		(2,224,614)	(2,111,554)
Receipts			
Fees received		2,692,742	2,748,644
Interest received		244,710	143,349
Total Receipts		2,937,452	2,891,993
NET CASH FLOWS FROM OPERATING ACTIVITIES	17	712,838	780,439
CASH FLOWS FROM INVESTING ACTIVITIES			
Short term investments top up for Bank Guarantee		(2,744)	1,400
Purchases of Office Equipment		(11,166)	(192,882)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(13,910)	(191,482)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of principal portion of lease liabilities		(101,093)	(96,934)
NET CASH FLOWS FROM FINANCING ACTIVITIES		(101,093)	(96,934)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		597,835	492,023
Opening cash and cash equivalents		5,859,514	5,367,491
CLOSING CASH AND CASH EQUIVALENTS	5	6,457,349	5,859,514

The accompanying notes form part of these financial statements.

**NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024**

1 Statement of Material Accounting Policy Information

(a) Reporting entity

The NSW Architects Registration Board (the Board) is a NSW government entity. The Board is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units.

These financial statements for the year ended 30 June 2024 have been authorised for issue by the Board members on 29 October 2024.

(b) Basis of preparation

The Board's financial statements are general purpose financial statements which have been prepared on an accruals basis and in accordance with:

- applicable Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations);
- the requirements of the *Government Sector Finance Act 2018* (GSF Act); and
- Treasurer's Directions issued under the GSF Act.

Financial assets are measured at fair value. Plant and equipment are measured and depreciated at historical cost as an approximation of fair value. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

Judgments, key assumptions and estimations management made by management are disclosed in the relevant notes to the financial statements.

The activities of the Board are exempt from income taxation.

All amounts are rounded to the nearest dollar and are expressed in Australian currency, which is the Board's presentation and functional currency.

(c) Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

(d) Accounting for the Goods and Services Tax

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- amount of GST incurred by the Board as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(e) Comparative information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements.

Correction of errors

During the current year, the NSW ARB assessed that Byera Hadley Travelling Scholarships (BHTS) is an administered item as defined in TPP21-03 Accounting Policy: Guidance on Administered Items. The NSWARB does not have power to use the proceeds for its own purposes without further authorisation from the Trustee and the NSW ARB does not have substantial discretion over the transactions.

The BHTS transactions were incorrectly included in the financial statements which should be separately disclosed in the Notes of the Financial Statements. The error resulted in an overstatement of liability by \$114,075 and bank balance by \$172,211 prior to 30 June 2022. The error identified has been corrected by restating the balances at the beginning of the earliest period presented (1 July 2022) and taking the adjustments through to accumulated funds at that date. Comparatives have been changed to reflect the correction of the above errors. The impact on each line item is shown in the tables below

NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024

1. Statement of Material Accounting Policy Information (continued)

(e) Comparative Information (continued)

(i) Statement of Financial Position

	As previously reported	1 July 2022 Adjustments Increase/(decrease)	As restated
	\$	\$	\$
Current Assets			
Cash and cash equivalents	5,539,702	(172,211)	5,367,491
Total assets	7,457,275	(172,211)	7,285,064
Current Liabilities			
Payables	406,934	(114,075)	292,859
Total liabilities	4,232,128	(114,075)	4,118,053
Net assets	3,225,147	(58,136)	3,167,011
Retained earnings	1,401,349	(58,136)	1,343,213
Accumulated funds	1,823,798	-	1,823,798
Total equity	3,225,147	(58,136)	3,167,011

	As previously reported	30 June 2023 Adjustments Increase/(decrease)	As restated
	\$	\$	\$
Current Assets			
Cash and cash equivalents	6,029,036	(169,522)	5,859,514
Total assets	7,915,045	(169,522)	7,745,523
Current Liabilities			
Payables	245,315	(104,948)	140,367
Total liabilities	4,039,722	(104,948)	3,934,774
Net assets	3,875,323	(64,574)	3,810,749
Retained earnings	650,176	(6,438)	643,738
Accumulated funds	3,225,147	(58,136)	3,167,011
Total equity	3,875,323	(64,574)	3,810,749

**NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024**

1. Statement of Material Accounting Policy Information (continued)

(e) Comparative Information (continued)

(ii) Statement of Comprehensive Income

	As previously reported	30 June 2023 Adjustments Increase/(decrease)	As restated
	\$	\$	\$
Revenue			
Investment Revenue	149,622	(6,438)	143,184
Total Revenue	2,706,281	(6,438)	2,699,843
Net Result	650,176	(6,438)	643,738
Total Comprehensive Income	650,176	(6,438)	643,738

Note: The above tables are an extract only, showing only those financial statement line items affected by the correction of error.

There is no impact on the total operating, investing or financing cash flows for the year ended 30 June 2023.

(f) Changes in accounting policies, including new or revised Australian Accounting Standards

(i) Effective for the first time in FY2023-2024

The accounting policies applied in 2023-24 are consistent with those of the previous financial year except where revised Australian Accounting Standards have been applied for the first time in 2023-2024. The initial application of this amendment resulted in reduced or revised accounting policy disclosures in the financial statements.

AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards unless Treasury determines otherwise.

The following new Australian Accounting Standards have not been applied and are not yet effective. Refer to *TPG 24-06 Policy and Guidelines: Mandates of options and major policy decisions under Australian Accounting Standards*

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

There is no material impact of these accounting standards that are issued but not yet effective on the Board's financial statements.

**NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024**

1. Statement of Material Accounting Policy Information (continued)

(g) Impact of Going Concern on Financial Reporting for 2023-2024

The Board has maintained assessments in fair value of property, plant and equipment, impairment of non-financial assets, financial instruments, expected credit losses, superannuation and long-term provisions (including employee provisions) and events after the reporting period.

The Board has identified and quantified the impacts of Automatic Mutual Recognition (AMR) to the Board's revenue. AMR came into effect from 1 December 2022 and will impact future revenue from interstate architects working in NSW who do not pay an individual registration fee under AMR. In financial year 2023 -2024, there is no significant impact in reduction in cash flows. This ensures the Board's ability to operate on a going concern basis and to pay its obligations when they fall due.

The Board has maintained an assessment of the fair value of the following accounts, taking into account the relevant judgments, assumptions, and estimates. There is no impact or insignificant impact identified on:

- Receivables and estimates on expected credit loss (if any) in Note 6
- Lease as Right of Use Asset in Note 19 and Lease liabilities in Note 13
- Superannuation and long-term provisions (including employee provisions) in Note 14
- Financial instruments in Note 18
- Event after the reporting period in Note 21

There are reasonable grounds to believe that the Board will be able to pay its debts as and when they become due and payable. The Board prepares its financial statements for the financial year ended 30 June 2024 on a going concern basis and there are no indicators, events or conditions that may cast significant doubt on the ability to continue as a going concern.

(h) Superannuation on Annual Leave Loading

The Board has determined that it is not probable a liability arises to pay superannuation on annual leave loading. This position has been formed based on current inquiries, other information currently available to management, and after considering the facts from a decision in the Federal Court of Australia: Finance Sector Union of Australia v Commonwealth Bank of Australia [2022] FedCFamC2G 409. That decision confirmed that, in relation to the industrial agreement considered in that case, annual leave loading did not form part of ordinary time earnings and therefore, did not require superannuation contributions to be made under superannuation guarantee legislation because the obligation to pay annual leave loading was not referable to ordinary hours of work or to ordinary rates of pay. It was paid by reference to the period of annual leave, and for the purpose of compensating employees for their loss of opportunity to work additional hours at higher rates during this period. This position will be re-assessed in future reporting periods as new information comes to light on this matter.

2 Expenses Excluding Losses

	2024	2023
	\$	\$
(a) Employee related expenses		
Salaries and wages (including annual leave)	1,073,890	943,762
Superannuation - defined contribution plans	158,545	134,678
Long service leave	36,141	5,542
Workers Compensation Insurance	11,260	5,985
	1,279,836	1,089,967

Refer to Note 14 for recognition and measurement policies on employee related expenses.

**NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024**

2 Expenses Excluding Losses (continued)

(b) Other operating expenses include the following:

Architects Accreditation Council of Australia Expenses	335,544	305,637
Auditor's remuneration - audit of the financial statements	29,820	33,200
Insurance	13,360	9,822
Computer expenses - software	17,885	15,181
Consultancy Fees	59,105	38,461
Other contractors	68,836	28,829
Cleaning	3,078	3,134
Expenses relating to lease of low-value asset	1,769	8,806
Legal Costs	62,957	(3,200)
Advertising and promotions	91,252	60,893
Bank charges	11,300	11,173
Printing and stationery	6,210	5,741
Travel	1,345	735
Board and committee fees	69,906	68,905
Telephone	3,608	4,039
Other	41,250	18,462
Posting and Freight	750	2,521
Election costs	-	5,900
Monash ARC Linkage	30,532	6,794
Staff Training	32,395	22,333
Byera Hadley Travelling Scholarships – BHTS projects	-	1,241
Part 4 discipline expenses	31,579	88,967
Removal expenses	-	309
Maintenance expenses	3,029	1,271
	915,510	739,154

Recognition and measurement

Expenses are recorded on an accruals basis as the Board receives the goods or service Expenses are presented on the basis of their nature.

Architects Accreditation Council of Australia Expenses

The Architects Accreditation Council of Australia (AACA) is constituted of nominees from all the state and territory architect registration boards in Australia. The AACA administers the national Architectural Practice Examination (APE) and various other competency-based assessment processes leading to registration as an architect in Australia, including the National Program of Assessment (NPA) and the Local/Overseas Experienced Practitioner Assessment. Candidates apply for the 3 stages of the APE via the Board's website and the Board passes through to the AACA an agreed amount per candidate.

Contractors

The Board engaged with two IT providers to maintain the Board's network and database system.

Maintenance expenses

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement or an enhancement of a part or component of an asset, in which case the costs are capitalised and depreciated.

Insurance

The Board's Workers Compensation Cover is with iCare Workers Insurance (Insurance and Care NSW). Professional Indemnity & Association Liability Insurance is underwritten at Lloyds under Binding Agreement UMR through Planned Cover Sydney, and Business Insurance with Berkley Insurance Australia via Focus Underwriting Agency through Planned Cover Sydney. The expense (premium) is determined by the Fund Manager based on past claims experience.

Lease expenses

The Board recognises the lease payments associate with the lease of assets that are valued at \$10,000 or under when new on a straight-line basis. Leases that meet definition of short-term i.e. where the lease term at commencement of the lease is 12 months or less. This excludes leases with a purchase option. Leases of assets that are valued at \$10,000 or under when new.

**NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024**

2 Expenses Excluding Losses (continued)

	2024	2023
(c) Depreciation expenses	\$	\$
Office equipment	15,471	12,419
Office fitout	53,738	44,694
Leasehold Improvement	14,627	14,627
Right-of-use asset	115,935	106,274
	199,771	178,014

Refer to Note 8 and 9 for recognition and measurement policies on depreciation and amortisation.

(d) Grants to Universities – end of year exhibition	22,727	13,636
	22,727	13,636

(e) Finance costs		
Interest Expense – lease liabilities	32,471	35,261
	32,471	35,261

Recognition and measurement

Finance costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs are recognised as expenses in the period in which they are incurred, in accordance with Treasury's Mandate to not-for-profit NSW GGS entities.

3 Revenue

Recognition and measurement

Income is recognised in accordance with the requirements of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities, dependent on whether there is a contract with a customer defined by AASB 15 Revenue from Contracts with Customers.

(a) Fees from Contracts with Customers		
Annual fees - Practising Architects	1,845,334	1,718,818
Annual fees - Non-Practising Architects	30,194	33,727
Registration fee - Practising Architects	45,135	46,500
Registration fee - Non-Practising Architects	3,409	2,944
Reinstatement fee - Practising Architects	19,860	15,150
Reinstatement fee - Non-Practising Architects	1,038	938
Corporation listing fees	56,905	70,760
Corporations change of details	6,896	3,405
Annual Corporations publication fee	172,520	281,150
	2,181,291	2,173,392

Recognition and measurement

Rendering of services

Revenue from rendering of services is recognised when the Board satisfies the performance obligation by transferring the promised services.

Type of Service	Nature of Timing of Satisfaction of Performance Obligation, Including Significant Payment Terms	Revenue Recognition Policies
Registration – Licensing for Architects	The performance obligations in relation to registration for architects are typically satisfied over the term of the registration – whether it is one, three or five years. Payments from Architects are typically received in advance.	The revenue is recognised when the registration period commences. For registration terms of more than a year, the remaining balance of the receipts is carried across the relevant years under contract liabilities. The registration is on a rolling basis. Depending on when the registration commences, the revenue is recognised for the portion in the financial year for cut off purposes. The balance relevant to future financial year is carried over in contract liabilities.

**NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024**

3 Revenue (continued)

Type of Service	Nature of Timing of Satisfaction of Performance Obligation, Including Significant Payment Terms	Revenue Recognition Policies
Registration –Publication Fee for Corporations	The performance obligations in relation to registration for corporations are typically satisfied over the annual terms of registration. Payments from Corporations are typically received in advance.	The revenue is recognised when the registration period commences. The registration is on a rolling basis. Depending on when the registration commences, the revenue is recognised for the portion in the financial year for cut off purposes. The balance relevant to future financial year is carried over in contract liabilities.
AACA Examination Fees and other assessment program fees	The performance obligations in relation to Examination Fees and assessment programs are typically satisfied at a point in time when the services are performed in the same financial year as the Board received the fees.	The revenue is recognised when the payment is received with the service being provided in the same financial year.
Other Revenue – Reinstatement fees and enrolment fees	The performance obligations in relation to one-off reinstatement fees and initial application fees are typically satisfied at a point in time when the services are assessed.	The revenue is recognised when the payment and application form are received with the services being provided in the same financial year.

Refer to Note 12 for the disclosure of the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) at the end of reporting period, and when the Board expects to recognise the unsatisfied proportion as revenue.

Disaggregation of revenue

The Board disaggregates revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

2024	Registration, Reinstatement & Enrolment Fees	Corporation Publication & Listing Fees	AACA Examination Fees	Other Revenue	Total
	\$	\$	\$	\$	\$
Revenue from contracts with customers	1,944,970	236,320	456,610	-	2,637,900
Other revenue (not covered by AASB 15)		-	-	296,612	296,612
Total	1,944,970	236,320	456,610	296,612	2,934,512

Timing of revenue recognition	Registration, Reinstatement & Enrolment Fees	Corporation Publication & Listing Fees	AACA Examination Fees	Other Revenue	Total
	\$	\$	\$	\$	\$
Point in time	69,443	63,800	456,610	294,012	883,865
Over time	1,875,527	172,520	-	2,600	2,050,647
Total	1,944,970	236,320	456,610	296,612	2,934,512

**NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024**

3 Revenue (continued)

2023	Registration, Reinstatement & Enrolment Fees \$	Corporation Publication & Listing Fees \$	AACA Examination Fees \$	Other Revenue \$	Total \$
Revenue from contracts with customers	1,818,077	355,315	349,346	-	2,522,738
Other revenue (not covered by AASB 15)		-	-	177,106	177,106
Total	1,818,077	355,315	349,346	177,106	2,699,844

Timing of revenue recognition	Registration, Reinstatement & Enrolment Fees \$	Corporation Publication & Listing Fees \$	AACA Examination Fees \$	Other Revenue \$	Total \$
Point in time	65,532	74,165	349,346	175,539	664,582
Over time	1,752,545	281,150	-	1,567	2,035,262
Total	1,818,077	355,315	349,346	177,106	2,699,844

(b) Investment revenue	2024	2023
	\$	\$
Interest income from financial assets at fair value through other comprehensive income	241,967	141,619
Interest on deposits	2,600	1,566
	244,567	143,185

Interest Income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For financial assets that become credit impaired, the effective interest rate is applied to the amortised cost of the financial asset (i.e. after deducting the loss allowance for expected credit losses). There were no financial assets that were credit impaired.

(c) Architects Accreditation Council of Australia Examination / NSWARB Portfolio Program of Assessment	2024	2023
	\$	\$
Examination fees	450,783	347,760
Assessment fees	5,827	1,586
	456,610	349,346

(d) Other revenue	2024	2023
	\$	\$
Byera Hadley Travelling Scholarships Promotion Monies Received/Projects	12,600	10,350
Other revenue (Merchant Fees, Fines, ARB+ Ticket Sales and etc)	39,444	23,571
	52,044	33,921

Other Revenue

Other revenue includes income arising from statutory requirements (i.e. fines) recognised during the period. The fine recovery is from the positive outcome of a court matter in which the director of an architecture firm was found guilty of Unsatisfactory Professional Conduct for failing to comply with the *Architects Act 2003*.

4 Gains / (Losses) on Disposal	2024	2023
	\$	\$
Losses on disposal of office equipment	-	(74)
	-	(74)

The losses on disposal of office equipment and office fit out were recognised as the Board has undertaken a refurbishment of its office premises. Some of the existing office equipment is no longer fitted in the new office layout. Refer to Note 9 for more office refurbishment disclosure notes.

**NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024**

5	Current Assets - Cash and Cash Equivalents	2024	2023
		\$	\$
	Cash at bank and on hand	<u>6,457,349</u>	5,859,514
		<u>6,457,349</u>	<u>5,859,514</u>

Cash and cash equivalent assets recognised in the Statement of Financial Position are reconciled at the end of the financial year as shown in the Statement of Cash Flows as follows:

	\$	\$
Cash and cash equivalents (per statement of financial position)	<u>6,457,349</u>	5,859,514
	<u>6,457,349</u>	<u>5,859,514</u>

Refer to Note 18 for details regarding credit risk and market risk arising from financial instruments.

6	Current Assets – Receivables	2024	2023
		\$	\$
	Goods and Services Tax recoverable from ATO	19,131	17,236
	Interest receivable	207	350
	Prepayments	<u>36,777</u>	32,000
		<u>56,115</u>	<u>49,586</u>

Details regarding credit risk of trade receivables that are neither past due nor impaired, are disclosed in Note 18.

Recognition and measurement

All 'regular way' purchases or sales of financial asset are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Subsequent measurement

The Board holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Impairment

The Board recognises an allowance for expected credit losses (ECLs) for all debt financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows and the cash flows that the Board expects to receive, discounted at the original effective interest rate. There were no expected credit losses (ECLS) for debt financial assets in FY 2023 or FY 2024.

7	Current Assets - Other Financial Assets	2024	2023
		\$	\$
	Fixed term deposits	<u>60,549</u>	57,806

On 4 June 2024, the Board reinvested the principal and interest funds in a Westpac Bank short-term, fixed term deposit account for a one-year term at 4.79%, with maturity date on 4 June 2025. Refer to Note 18 for further information regarding fair value measurement, credit risk and market risk arising from financial instruments.

Recognition and measurement

All 'regular way' purchases or sales of other financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of other financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Classification and measurement

The Board's financial assets at fair value are classified, at initial recognition, as subsequently measured at either fair value through other comprehensive income or fair value through profit or loss. Transaction costs of financial assets carried at fair value through profit or loss are expensed in net results. Interest income from these financial assets is included in investment revenue using the effective interest method.

NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024

8 Non-Current Assets – Property, Plant & Equipment

	Equipment	Office Fit out	Leasehold Improvement	Total
	\$	\$	\$	\$
At 1 July 2022 - fair value				
Gross carrying amount	127,131	445,411	88,278	660,820
Accumulated depreciation and impairment	(106,164)	(1)	(57,806)	(163,971)
Net carrying Amount	20,967	445,410	30,472	496,849
Year ended 30 June 2023				
Net carrying amount at beginning of year	20,967	445,410	30,472	496,849
Purchase of assets	52,035	140,999	-	193,034
Disposals	(74)	-	-	(74)
Depreciation expense	(12,418)	(44,694)	(14,627)	(71,739)
Net carrying amount at end of year	60,510	541,715	15,845	618,070
At 1 July 2023 - fair value				
Gross carrying amount	179,597	586,410	88,278	854,285
Accumulated depreciation and impairment	(119,087)	(44,695)	(72,433)	(236,215)
Net carrying amount	60,510	541,715	15,845	618,070
Year ended 30 June 2024				
Net carrying amount at beginning of year	60,510	541,715	15,845	618,070
Purchase of assets	11,166	-	-	11,166
Disposals	-	-	-	-
Depreciation expense	(15,471)	(53,738)	(14,626)	(83,835)
Net carrying amount at end of year	56,205	487,977	1,219	545,401
At 30 June 2024 - fair value				
Gross carrying amount	189,946	586,410	88,278	864,634
Accumulated depreciation and impairment	(133,741)	(98,433)	(87,059)	(319,233)
Net carrying amount	56,205	487,977	1,219	545,401

Recognition and measurement

(i) Acquisitions of plant and equipment

Plant and equipment are initially measured at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at measurement date.

(ii) Capitalisation thresholds

Plant and equipment costing \$1,000 and above individually or forming part of a network costing more than \$1,000, are capitalised.

(iii) Major inspection costs

When a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

(iv) Restoration costs

The present value of the expected cost for the restoration or cost of dismantling of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

**NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024**

8 Non-Current Assets – Property, Plant & Equipment (continued)

(v) Depreciation of plant and equipment

Except for certain non-depreciable assets, depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Board. All material identifiable components of assets are depreciated separately over their useful lives.

The following depreciation rates are used:

Depreciation rates	2024 % Rate	2023 % Rate
Telephone system	33	33
Computers	25-50	25-50
Furniture	20	20
Major software	50	50
Leasehold improvement	Depreciated over the shorter of assets' useful lives and lease term	
Office fit out	10-12	10-12

(vi) Right-of-use assets acquired by lessees

The Board has elected to present right-of-use assets separately in the Statement of Financial Position.

Further information on leases is contained at Note 9.

(vii) Revaluation of plant and equipment

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 21-09) and Treasurer's Direction *Valuation of Physical Non-Current Assets at Fair Value* (TD21-05). TPP21-09 and TD21-05 adopt fair value in accordance with *AASB 13 Fair Value Measurements and AASB 116 Property Plant and Equipment*.

Non-specialised assets with short useful lives are measured at depreciated historical cost, which for these assets approximates fair value. The Board has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

(viii) Impairment of plant and equipment

As a not-for-profit entity with no cash generating units, impairment under *AASB 136 Impairment of Assets* is unlikely to arise. Since plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in rare circumstances such as where the costs of disposal are material. The Board assesses at the reporting date that there is no indication that an asset may be impaired.

9 Leases

The Board entered a 5 years' term office lease agreement as a lessee, commencing 1 August 2019 and with a termination date of 31 July 2024. There was no option lease included to extend at the end of the contract.

In December 2020, the Board commenced negotiation with the landlord, with a variation of office lease signed on 31 March 2022. The new term has increased to 9 years with a termination date of 31 July 2028. The option to renew has been modified to 5 years, with the lease term expiring 31 July 2033 if the option is exercised.

Management has considered all facts and circumstances that create an economic incentive, and the Board is reasonably certain that the option will be exercised. *AASB 16 Leases* (AASB 16) requires a lessee to recognise a right-of-use asset and a corresponding lease liability for most leases.

The Board has determined the lessee's incremental borrowing rate based on Treasury Corporation (TCorp rates). Under AASB 16 section 18(a), lease term is defined as "the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option." The Board is likely to exercise the option lease with the remaining terms of 12 years hence the Board is applying the rate set for leases over 10 years at 2.79% (previously the rate set was at 1.42% for a 5 years' term).

A revision to the terms of the Board's existing bank guarantee to reflect the rent payable under the variation of lease was imposed and the new amount has been approved by Treasury. Refer to Note 16 Contingent liabilities for further detail.

**NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024**

9 Leases (Continued)

Right-of-use assets under leases

The following table presents right-of-use assets that do not meet the definition of investment property. There are no investment properties during the financial year.

	Land and Buildings \$	Total \$
Balance at 1 July 2023	1,160,547	1,160,547
Depreciation expense	(115,935)	(115,935)
Balance at 30 June 2024	1,044,612	1,044,612
Balance at 1 July 2022	1,266,821	1,266,821
Depreciation expense	(106,274)	(106,274)
Balance at 30 June 2023	1,160,547	1,160,547

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the Board is the lessee:

	2024 \$	2023 \$
Depreciation expense of right-of-use assets	115,935	106,274
Interest expense on lease liabilities (Note 13)	32,471	35,261
Expense relating to leases of low-value assets	-	-
Total amount recognised in the statement of comprehensive income	148,406	141,535

The Board has total cash outflows for leases of \$136,492 in FY2023-2024 (FY2022-2023: \$132,195).

Recognition and measurement

The Board assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Board recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets.

(i) Right-of use assets

The Board recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability (refer ii below), adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

The right-of-use assets are subsequently measured at cost. They are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Land and buildings 5 - 12 years
- Office Equipment and machinery 2 - 5 years

The right-of-use assets are also subject to impairment. The Board assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Board estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount; the asset is considered impaired and is written down to its recoverable amount. After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the net result.

(ii) Lease liabilities

At the commencement date of the lease, the Board recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include:

- fixed payments (including in substance fixed payments) less any lease incentives receivable.
- variable lease payments that depend on an index or a rate.
- amounts expected to be paid under residual value guarantees.

**NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024**

9 Leases (Continued)

- exercise price of a purchase options reasonably certain to be exercised by the Board; and
- payments of penalties for terminating the lease, if the lease term reflects the Board exercising the option to terminate.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Board's leases, the lessee's incremental borrowing rate (IBR) is used, being the rate that the Board would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security, and conditions.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Refer to Note 13 Lease Liabilities.

(iii) Short-term leases and leases of low-value assets

The Board has elected to recognise payments for short-term leases and low value leases as expenses on a straight-line basis, instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less. Low value assets are assets with a fair value of \$10,000 or less when new and comprise mainly office equipment. The Board currently has an office equipment lease agreement for 5 years from November 2021 to 2026. The leased asset is a low value asset with fair value of \$10,000 or less.

10 Restricted Assets

	2024	2023
	\$	\$
Architects Registration Board Plus (ARB+) account	24,887	21,764
	24,887	21,764

The above funds which are included in the total cash amount are restricted assets. These funds are limited by externally imposed restrictions and not available for normal operational expenditure by the Board.

Funds received for the Board's program of initiatives and events (ARB+) are put aside in a separate bank account, not in operating bank account, to be solely used to cover any expense that is incurred for promotional engagements.

Reconciliation of Architects Registration Board Plus (ARB+) account	2024	2023
	\$	\$
Opening Balance	21,764	21,138
Income from ARB+ ticket sales	2,177	-
Interest earned during year net of account activity fees	946	626
Closing balance	24,887	21,764

11 Current Liabilities - Payables

	2024	2023
	\$	\$
Accrued salaries, wages and on-costs	26,361	21,414
Creditors	4,786	35,581
PAYG Withholding Tax payable	25,244	20,713
Credit Cards	8,365	6,953
Board Members Contributions toward scholarship	17,200	15,467
Other Accrued expenses (e.g. Bank charges, Medallion, Audit fees)	48,324	40,239
	130,280	140,367

Details regarding liquidity risk, including a maturity analysis of the above payables are disclosed in Note 18.

**NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024**

11 Current Liabilities – Payables (continued)

Recognition and measurement

Payables represent liabilities for goods and services provided to the Board and other amounts. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. Payables are financial liabilities at amortised cost, initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised net result when the liabilities are derecognised as well as through the amortisation process.

12 Contract Liabilities	2024	2023
	\$	\$
Current liabilities		
Architects' Registration Fees	1,670,334	1,598,222
Annual Publication Fees	132,073	119,828
Total Contract Liabilities - Current	1,802,407	1,718,050
Non-current liabilities		
Architects' Registration Fees	524,490	606,050

Contract liabilities relate to consideration received in advance from customers in respect of annual registration fees, annual publication fees and APE Examination Fees. All payments to the Board are paid in advance of the services. The balance of contract liabilities at 30 June 2024 was impacted by the timing of payment received at this financial year for which the satisfaction of performance obligations of the service will be delivered in the following financial year.

The current contract liabilities are related to annual registration that will be delivered in the financial year ending 30 June 2024. The amounts received are not expected to be refunded in financial year 2024 and will be recognised as revenue in the financial year from 1 July 2024.

The non-current contract liabilities are related to registrations that opt for 3- and 5-year registration terms. The non-current liabilities will amortise the liability over the registration period on a systematic basis, fees are recognised as revenue in the period when the service is transferred to the customers.

	2024	2023
	\$	\$
Revenue recognised that was included in the contract liability balance at the beginning of the year	1,718,050	1,662,869
Revenue recognised from performance obligations satisfied in previous periods	-	-
Transaction price allocated to the remaining performance obligations from contracts with customers	2,326,897	2,324,100

The transaction price allocated to the remaining performance obligations relates to future financial years from FY 2025 to FY 2029. It is expected that 77% of the transaction price will be recognised as revenue in FY 2025, 12% in FY 2026, 7% in FY 2027, 2% in FY 2028, and 1% in FY 2029.

13 Lease Liabilities

Lease Liabilities – Current and Non-current

The following table presents liabilities under leases:

	2024	2023
	\$	\$
Balance at 1 July	1,214,880	1,311,814
Modification	-	-
Interest Expenses	32,471	35,261
Lease Payments	(136,161)	(132,195)
Balance at 30 June	1,111,190	1,214,880

The current lease liabilities at 30 June 2024 are \$101,100 and the non-current lease liabilities are \$1,010,090. The Board is required to use the rate implicit in the lease for initial recognition of the lease liability in the first instance. Where this cannot be determined, the incremental borrowing rate (IBR) should be used. The historical Treasury and Treasury Corp (TCorp) rate used was previously 1.42%. This rate has increased to 2.79% after the variation of lease was signed to reflect a lease term greater than 10 years if the Board exercises its lease option.

**NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024**

14 Current / Non-Current Liabilities – Provisions

	2024	2023
	\$	\$
Current Provisions		
Employee benefits and related on-costs		
Annual leave	74,468	67,921
Long service leave	132,845	96,703
Total current provisions	207,313	164,624
Annual leave obligations expected to be settled within 12 months	18,617	16,980
Long service leave obligations expected to be settled within 12 months	4,897	4,572
	23,514	21,552
Current annual leave obligations expected to be settled after 12 months	55,851	50,941
Current long service leave obligations expected to be settled after 12 months	127,948	92,131
	183,799	143,072
Aggregate employee benefits and related on-costs		
Provisions - current	207,313	164,624
Accrued salaries, wages and on-costs (Note 11)	26,361	21,414
	233,674	186,038
Non-Current Liabilities		
Leasehold improvement obligations	93,400	90,803
Total non-current liabilities	93,400	90,803
Total Provision	300,714	255,427

Movements in provisions (other than employee benefits)

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

	Leasehold improvement	Total
	\$	\$
Carrying amount at 1 July 2023	90,803	90,803
Additional provisions recognised	2,597	2,597
Amount used	-	-
Carrying amount at 30 June 2024	93,400	93,400

Recognition and measurement

Employee benefits and related on-costs

Salaries and wages, annual leave and sick leave

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 *Employee Benefits* (although short-cut methods are permitted).

Actuarial advice obtained by Treasury has confirmed that using the nominal annual leave balance plus the annual leave entitlements accrued while taking annual leave (calculated using 9% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The Board has assessed the actuarial advice based on the Board's circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where the Board does not expect to settle the liability within 12 months as the Board does not have an unconditional right to defer settlement.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

**NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024**

14 Current / Non-Current Liabilities – Provisions (continued)

Long service leave and superannuation

For employee benefit liabilities that are not assumed by the Crown Entity, such as certain long service leave related on-costs and additional employee benefit costs that arise on incurring long service leave, including workers compensation insurance, annual leave accrued while on long service leave taken in service, a liability must be recognised as per TPG 24-23 Accounting for Long Service Leave and Annual Leave.

Long service leave is measured at the present value of expected future payments to be made in respect of services provided up to the reporting date. Consideration is given to certain factors based on actuarial review, including expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using the Commonwealth Government bond rate at the reporting date.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (ie. Basic Benefit and First State Super) is calculated as a percentage of the employee's salary.

Consequential on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes amounts of workers' compensation insurance premiums.

Other Provisions

Provisions are recognised when the Board has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

The Leasehold Improvement Provision is to reinstate the office premise when the lease expires. The terms to reinstate to its original condition have not changed despite the new variation of lease signed 31 March 2022. An independent contractor has reassessed the dismantling and restoration cost set out in the lease contract in financial year 2021 and this is to remain unchanged. The effect of the increase in the provision in financial year 2021 for leasehold improvement will continue to depreciate by \$14,626 each year until July 2024, when a revision of the provision costs will be assessed.

When the Board expects some or all of a provision to be reimbursed, for example, under the insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented net of any reimbursement in the Statement of Comprehensive Income. As at 30 June 2024, there is no reimbursement expected for the provision.

15 Commitments

There were no capital commitments at the reporting date.

16 Contingent Liabilities and Contingent Assets

On 15 August 2019, the Board carried forward a bank guarantee amount of \$40,219 in relation to the office lease agreement. Before signing the variation of lease, this bank guarantee was revised as requested by the landlord to reflect on the new rent payable. The new bank guarantee, which has been approved by NSW Treasury, is in the amount of \$42,554. This is an increase of \$2,335 to the old bank guarantee. At the reporting date, it is unlikely that the Board will be required to settle the guarantee.

17 Reconciliation of Cash Flows from Operating Activities to Net Result

Reconciliation of cash flows from operating activities to the net result as reported in the Statement of Comprehensive Income is as follows:

	2024	2023
	\$	\$
Net cash used on operating activities	712,838	780,439
Depreciation	(199,771)	(178,013)
Decrease / (increase) in provisions	(42,689)	(19,863)
Increase / (decrease) in prepayments and other assets	6,529	(6,453)
Decrease / (increase) in payables	10,087	117,845
Decrease / (increase) in contract liabilities	(2,797)	(50,143)
Net gain/ (loss) on sale of property, plant and equipment	-	(74)
Net result	484,197	643,738

**NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024**

18 Financial Instruments

The Board's principal financial instruments are outlined below. These financial instruments arise directly from the Board's operations or are required to finance the Board's operations. The Board does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Board's main risks arising from financial instruments are outlined below, together with the Board's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Board members have overall responsibility for the establishment and oversight of risk management and reviews and agree policies for managing each of risk. Risk management policies are established to identify and analyse the risks faced by the Board, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Board on a continuous basis.

The Board's principal financial instruments are held-to-maturity term deposits, along with cash at bank. The main purpose of these financial instruments is to finance the Board's operations. The Board has various other financial instruments such as receivables and creditors, which arise directly from its operations.

(a) Financial Instrument Categories

Class	Note	Category	Carrying Amount	
			2024	2023
Financial Assets			\$	\$
Cash and cash equivalents	5	Amortised cost	6,457,349	5,859,514
Receivables ¹	6	Amortised cost	206	350
Other financial assets	7	Amortised cost	60,549	57,806
Financial Liabilities				
Payables ²	11	Financial liabilities at amortised cost	105,036	119,654
Lease liabilities	13	Financial liabilities at amortised cost	1,111,190	1,214,880

Notes

¹ Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7)

² Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7)

The Board determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

(b) De-recognition of financial assets and financial liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Board transfers its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- the Board has transferred substantially all the risks and rewards of the asset; or
- the Board has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control.

When the Board has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. Where the Board has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset continues to be recognised to the extent of the Board's continuing involvement in the asset. In that case, the Board also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Board retains.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Board could be required to repay.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the net result

**NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024**

18 Financial Instruments (continued)

(c) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(d) Financial risks

(i) Credit Risk

Credit risk arises when there is the possibility of the Board's debtors defaulting on their contractual obligations, resulting in a financial loss to the Board. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for credit losses or allowance for impairment).

Credit risk arises from the financial assets of the Board, including cash, receivables, and authority deposits. No collateral is held by the Board.

The Board considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Board may also consider a financial asset to be in default when internal or external information indicates that the Board is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Board.

Cash or cash equivalents

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average TCorp 11am unofficial cash rate, adjusted for a management fee to NSW Treasury.

Accounting policy for impairment of trade receivables and other financial assets

Receivables - trade receivables

Receivables comprise GST receivables, interest accrued and general prepayments. No collateral is held by the Board. The Board has not granted any financial guarantees.

Collectability of trade receivables is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand.

The Board applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on historical observed loss rates. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Board has identified the GDP and the unemployment rate to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others a failure to make contractual payments for a period of greater than Board determined days past due.

There was no allowance for expected credit losses from trade receivables which excludes statutory receivables as these are not within scope of AASB 7.

Other financial assets – Authority Deposits

The Board has placed funds on deposit with Westpac Bank. These deposits are considered to be low credit risk. The credit risk on a financial instrument has not increased significantly since initial recognition as the financial instrument is determined to have low credit risk at the reporting date.

The loss allowance recognised if any during the period was therefore limited to 12 months expected losses. The Board assessed that no provision for expected credit losses on its other financial assets for the period ending 30 June 2024.

**NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024**

18 Financial Instruments (continued)

(ii) Liquidity Risk

Liquidity risk is the risk that the Board will be unable to meet its payment obligations when they fall due. The Board continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high-quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of overdrafts, loans and other advances.

During the current and prior year, there were no borrowings, hence no default on borrowings. No assets have been pledged as collateral. The Board's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

Liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in TC11-12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received.

For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Head of an authority (or a person appointed by the Head of an authority) may automatically pay the supplier simple interest. There was no overdue payment to small business suppliers.

The table below summarises the maturity profile of the Board's financial liabilities based on contractual undiscounted payments, together with the interest rate exposure.

	Weighted average effective interest rate %	Nominal amount \$	Interest rate exposure			Maturity dates		
			Fixed interest rate \$	Variable interest rate \$	Non-interest bearing \$	<1 year \$	1 - 5 years \$	>5 years \$
2024								
Payables	0.00%	105,036	-	-	105,036	105,036	-	-
Lease liabilities	2.79%	1,111,190	1,111,190	-	-	101,100	580,763	429,327
2023								
Payables	0.00%	119,654	-	-	119,654	119,654	-	-
Lease liabilities	2.79%	1,393,827	1,393,827	-	-	136,161	677,124	580,542

(iii) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Board has no borrowings and no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Board operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the Statement of Financial Position reporting date. The analysis is performed on the same basis for 2024. The analysis assumes that all other variables remain constant.

(iv) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Exposure to interest rate risk arises primarily through the Board's interest-bearing liabilities. This risk is minimised by undertaking mainly fixed rate borrowings, primarily with NSW TCorp. The Board does not account for any fixed rate financial instruments at fair value through profit or loss or as at fair value through other comprehensive income. Therefore, for these financial instruments, a change in interest rates would not affect the carrying value or interest paid/earned. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates (based on official RBA interest rate volatility over the last five years). The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility.

**NSW Architects Registration Board
Notes to the Financial Statements
for the year ended 30 June 2024**

18 Financial Instruments (continued)

The following table demonstrates the sensitivity to a reasonably possible change in interest rates:

	2024		2023	
	\$		\$	
	-1%	+1%	-1%	+1%
Net result	(4,841)	4,841	(6,437)	6,437
Equity	(42,949)	42,949	(38,107)	38,107

(e) Fair Value Measurement

(i) Fair value compared to carrying the amount

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

The carrying value of the Board's financial instruments approximates their fair value.

(ii) Fair value recognised in the Statement of Financial Position

Management assessed that cash and short-term deposits, trade receivables, trade payables, and other current liabilities approximate their fair values, largely due to the short-term maturities of these instruments.

19 Related Party Disclosure

The Board's key management personnel compensation is as follows:

	2024	2023
	\$	\$
Short term employee benefits		
Salaries	310,014	292,352
Non-monetary benefits	744	1,188
Post-employment benefits	41,062	34,538
Total remuneration	351,820	328,078

The Board entered into transactions on arm's length terms and conditions with key management personnel, their close family members and controlled or jointly controlled entities thereof. The aggregate value of the material transactions and related outstanding balances are as follows:

	2024		2023	
	Transaction value	Net receivable/ (payable)	Transaction value	Net receivable/ (payable)
	\$	\$	\$	\$
State convenor fees	-	-	6,040	5,491

20 Administered Assets and Liabilities

	2024	2023
Byera Hadley Travelling Scholarship Monies	203,993	169,522
Total Administered Assets	203,993	169,522
Byera Hadley Travelling Scholarship Liabilities	128,847	104,948
Total Administered Liabilities	128,847	104,948

The NSW Architects Registration Board manages the funds provided under the provisions of the bequest from the late Byera Hadley. Perpetual Limited manages the fund and provides funding for promotion of the Scholarships. The NSW Architects Registration Board does not control the proceeds for its own purposes and the money is not available for normal operational expenditure by the NSW ARB.

21 Events After the Reporting Period

There are no subsequent events after the reporting date which materially affect the financial statements.

End of audited financial statement

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